

EXTENSIONS OF REMARKS

The Complete Situation in Asia

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, January 21, 1955

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I made yesterday in an address to the Alexandria Kiwanis Club, in Alexandria, Va., in relation to the serious and complicated situation in the East.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY BEFORE ALEXANDRIA KIWANIS CLUB, GEORGE MASON HOTEL, THURSDAY, JANUARY 20, 1955

SENATOR WILEY SAYS ASIA SITUATION SERIOUS, COMPLEX—URGES PATIENCE, RESTRAINT

The diplomatic situation which has arisen in the Straits of Formosa is both serious and complex.

This morning, I participated in a meeting at the White House with Democratic and Republican leaders which explored various problems in that connection.

I do not propose at the present time to comment in detail on this subject, but I do want to say that the administration is working hard to protect our own national interest and the cause of freedom, peace, and justice in Asia. Let's give the President and the Secretary of State a chance to work this problem out—in close consultation with the Congress.

Let's think, before any of us, inside the Congress or outside, rushes into print with off-the-cuff solutions to an exceedingly difficult situation.

I should like now to present a few general observations with regard to ways and means by which we may help assure a just and lasting peace in Asia, and for that matter, elsewhere in the world:

1. We can do so only by maintaining the strong western alliance, a dynamic unity

among the free nations, including our proven friends in Asia.

This requires careful and continuous consultation among all of them. It requires careful consideration of the viewpoint of each.

We must not ignore the views of others and proceed impulsively and emotionally like a bull in a china shop. We must weigh the interrelated military, economic, diplomatic, psychological factors, including basically United States strategic considerations in the Far East.

2. The second basic principle is that we must and will remain loyal to our allies. I refer, in particular, to the Republic of China. The government of Chiang Kai-shek has been our proven friend. We will, therefore, remain true to our commitments. We will not abandon the Nationalist government.

We definitely do not believe that the people of China should be represented in the United Nations by the Red government at Peiping which has violated practically every international law.

3. A third principle is that we must try to win to our cause the great neutral, uncommitted bloc of Asia.

I do not believe that there is any good reason why there should be a lasting or growing barrier between ourselves and the Governments say, of India, Ceylon, or Burma.

On the contrary, we share the same common aspiration for the sovereignty of peoples for a better way of life for them. We have the same belief in the spiritual worth of the human being.

On the other hand, Red China shares none of these concepts.

We must make sure, that we do not, by arbitrary, impulsive action push the neutral countries into Red China's orbit. This could have come about, or still could, if the United States were to go halfcocked and to try all by ourselves a military blockade of Red China at this time. Some of the gravest questions of international law would arise in the event such a unilateral blockade were to be attempted.

I previously have stated on several occasions my vigorous opposition to such a blockade at the present time.

I have stated that a blockade might result in the immediate death of our own 11 imprisoned airmen. It might cause a wide-open split with our allies. It might overcommit

our present naval resources. It might cause the bitterest of differences with the neutral countries. But, worst of all, it might precipitate us into a war with Red China, which is probably something the Kremlin would dearly like.

4. We must continue to work through the U. N., both for the release of our imprisoned airmen and for the furtherance of peace, stability, and freedom in the Far East.

I believe that it is unfair and unwise to characterize the mission of the United Nations Secretary-General to Peking as a failure. On the contrary, I believe that it contributed to progress toward the goal of peace.

We must remember that diplomatic negotiation, particularly with the cagey Communist adversary, often takes a long, long time. We cannot expect miracles overnight. An impulsive blockade could bring chaos overnight, but diplomacy cannot bring order and justice overnight.

5. The next basic principle is that we must contribute further to the inner security and strength of the free nations in Asia; for example, among such splendid friends as the Philippines, Thailand, and Pakistan.

We must help enable them to assure security inside their own borders and at their outer borders. This means prompt ratification of SEATO—prompt ratification which must and will come.

At the same time, we must remember that these various countries require greatly expanded programs of technical assistance if they are to assure an ever-higher standard of living for their people.

Guns alone will not save free Asia. In a war of ideas, a war of hungry stomachs, right ideas and full stomachs count far more than weapons.

There must be guns for defense, but there must be ideas for the mind; there must be food, shelter; honest, efficient government; decent sanitation; opportunity for a higher standard of living as a whole.

I conclude with this thought:

Your President—a great President—is acting with care, with discretion, with judgment. He is consulting carefully on a bipartisan basis with the Congress.

Let's give him our faith and confidence. Let's give him the benefit of any doubt; he is entitled to our admiration and esteem. His record of statesmanship, and that of Secretary of State John Foster Dulles, proves that we are in good, capable hands. Let's work with them as a team.

SENATE

MONDAY, JANUARY 24, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, in changing and troubled days we pray for quiet hearts and conceptions big enough and spirits strong enough to match the awesome time in which we live and serve. We confess the things in our own dear land of liberty which weaken and betray the faith we profess. We acknowledge the selfishness which dominates groups caring only for their own interests; the partisanship which sees clearly the next election while ignoring the next generation; the narrow nationalism which is oblivious to the fact that exploitation and injustice anywhere poison the arte-

rial blood of the race; the excesses which are gnawing at the very vitals of our national life. O, America, America, God mend thine every flaw and fit thee to be the channel of His redeeming grace for all the earth.

Create in us clean hearts and right spirits as we face foes which have not Thee in awe, fanatical foes to whom human life is nothing because their gaze is no higher than the earth; whose pledged word is worthless because expediency is their only god; who, for their own ends, callously traffic in normal human affections and family ties. To protect this earth which could be so fair, our God, bless America as she throws her might across the path of so godless a pestilence. May our strength, moral and material, be a factor through Thy will in bringing to pass a just peace in our time, O Lord. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, January 21, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with today.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. CLEMENTS. Mr. President, under the rule, there will be a morning hour for the presentation of petitions and memorials, the introduction of bills, and other routine business, and I ask unanimous consent that statements made in connection therewith be limited to 2 minutes, in accordance with the usual practice.

The VICE PRESIDENT. Without objection, it is so ordered.

AMERICAN FOREIGN POLICY IN ASIA—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 76)

Mr. CLEMENTS. Mr. President, in view of the importance of the message the President has sent to the Senate today, I ask unanimous consent that the morning hour be postponed, and that priority be given to the reading of the President's message.

The VICE PRESIDENT. The President's message being a privileged matter, it may be laid before the Senate at any time, and the Chair lays before the Senate a message from the President of the United States.

Mr. CLEMENTS. Mr. President, before the message is read, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | |
|---------------|-----------------|--------------|
| Aiken | Flanders | McNamara |
| Allott | Frear | Millikin |
| Anderson | Fulbright | Morse |
| Barkley | George | Murray |
| Barrett | Green | Neely |
| Beall | Hayden | Neuberger |
| Bender | Hennings | O'Mahoney |
| Bennett | Hickenlooper | Pastore |
| Bible | Hill | Payne |
| Bricker | Holland | Potter |
| Bridges | Hruska | Purtell |
| Bush | Humphrey | Robertson |
| Butler | Ives | Russell |
| Byrd | Jackson | Saltonstall |
| Capehart | Johnston, S. C. | Schoeppel |
| Case, N. J. | Kerr | Scott |
| Case, S. Dak. | Kilgore | Smathers |
| Chavez | Knowland | Smith, Maine |
| Clements | Kuchel | Smith, N. J. |
| Cotton | Langer | Sparkman |
| Curtis | Lehman | Stennis |
| Daniel | Long | Thurmond |
| Dirksen | Magnuson | Thye |
| Douglas | Malone | Watkins |
| Duff | Mansfield | Welker |
| Dworshak | Martin, Iowa | Wiley |
| Eastland | Martin, Pa. | Williams |
| Ellender | McCarthy | Young |
| Ervin | McClellan | |

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. MONROE], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is absent by leave of the Senate because of illness.

The Senator from Texas [Mr. JOHNSON] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Arizona [Mr. GOLDWATER], the Senator from Indiana [Mr. JENNER], and the Senator from South

Dakota [Mr. MUNDT] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

The message from the President of the United States will now be read.

The message was read by the legislative clerk, and referred jointly to the Committees on Foreign Relations and Armed Services, as follows:

To the Congress of the United States:

The most important objective of our Nation's foreign policy is to safeguard the security of the United States by establishing and preserving a just and honorable peace. In the western Pacific, a situation is developing in the Formosa Straits, that seriously imperils the peace and our security.

Since the end of Japanese hostilities in 1945, Formosa and the Pescadores have been in the friendly hands of our loyal ally, the Republic of China. We have recognized that it was important that these islands should remain in friendly hands. In unfriendly hands, Formosa and the Pescadores would seriously dislocate the existing, even if unstable, balance of moral, economic, and military forces upon which the peace of the Pacific depends. It would create a breach in the island chain of the western Pacific that constitutes, for the United States and for other free nations, the geographical backbone of their security structure in that ocean. In addition, this breach would interrupt north-south communications between other important elements of that barrier, and damage the economic life of countries friendly to us.

The United States and the friendly Government of the Republic of China, and indeed all the free nations, have a common interest that Formosa and the Pescadores should not fall into the control of aggressive Communist forces.

Influenced by such considerations, our Government was prompt, when the Communists committed armed aggression in Korea in June 1950, to direct our 7th Fleet to defend Formosa from possible invasion from the Communist mainland.

These considerations are still valid. The 7th Fleet continues under Presidential directive to carry out that defensive mission. We also provide military and economic support to the Chinese Nationalist Government and we cooperate in every proper and feasible way with that Government in order to promote its security and stability. All of these military and related activities will be continued.

In addition, there was signed last December a mutual defense treaty between this Government and the Republic of China covering Formosa and the neighboring Pescadores. It is a treaty of purely defensive character. That treaty is now before the Senate of the United States.

Meanwhile Communist China has pursued a series of provocative political and military actions, establishing a pattern of aggressive purpose. That purpose, they proclaim, is the conquest of Formosa.

In September 1954 the Chinese Communists opened up heavy artillery fire

upon Quemoy Island, one of the natural approaches to Formosa, which had for several years been under the uncontested control of the Republic of China. Then came air attacks of mounting intensity against other free China islands, notably those in the vicinity of the Tachen group to the north of Formosa. One small island—Ichiang—was seized last week by air and amphibious operations after a gallant few fought bravely for days against overwhelming odds. There have been recent heavy air attacks and artillery fire against the main Tachen Islands themselves.

The Chinese Communists themselves assert that these attacks are a prelude to the conquest of Formosa. For example, after the fall of Ichiang, the Peiping radio said that it showed a "determined will to fight for the liberation of Taiwan [Formosa]. Our people will use all their strength to fulfill that task."

Clearly, this existing and developing situation poses a serious danger to the security of our country and of the entire Pacific area and indeed to the peace of the world. We believe that the situation is one for appropriate action of the United Nations under its charter, for the purpose of ending the present hostilities in that area. We would welcome assumption of such jurisdiction by that body.

Meanwhile, the situation has become sufficiently critical to impel me, without awaiting action by the United Nations, to ask the Congress to participate now, by specific resolution, in measures designed to improve the prospects for peace. These measures would contemplate the use of the Armed Forces of the United States if necessary to assure the security of Formosa and the Pescadores.

The actions that the United States must be ready to undertake are of various kinds. For example, we must be ready to assist the Republic of China to redeploy and consolidate its forces if it should so desire. Some of these forces are scattered throughout the smaller offshore islands as a result of historical rather than military reasons directly related to defending Formosa. Because of the air situation in the area, withdrawals for the purpose of redeployment of Chinese Nationalist forces would be impractical without assistance of the Armed Forces of the United States.

Moreover, we must be alert to any concentration or employment of Chinese Communist forces obviously undertaken to facilitate attack upon Formosa, and be prepared to take appropriate military action.

I do not suggest that the United States enlarge its defensive obligations beyond Formosa and the Pescadores as provided by the treaty now awaiting ratification. But unhappily, the danger of armed attack directed against that area compels us to take into account closely related localities and actions which, under current conditions, might determine the failure or the success of such an attack. The authority that may be accorded by the Congress would be used only in situations which are recognizable as parts of, or definite preliminaries to, an attack against the main positions of Formosa and the Pescadores.

Authority for some of the actions which might be required would be inherent in the authority of the Commander in Chief. Until Congress can act I would not hesitate, so far as my constitutional powers extend, to take whatever emergency action might be forced upon us in order to protect the rights and security of the United States.

However, a suitable congressional resolution would clearly and publicly establish the authority of the President as Commander in Chief to employ the Armed Forces of this Nation promptly and effectively for the purposes indicated if in his judgment it became necessary. It would make clear the unified and serious intentions of our Government, our Congress and our people. Thus it will reduce the possibility that the Chinese Communists, misjudging our firm purpose and national unity, might be disposed to challenge the position of the United States, and precipitate a major crisis which even they would neither anticipate nor desire.

In the interest of peace, therefore, the United States must remove any doubt regarding our readiness to fight, if necessary, to preserve the vital stake of the free world in a free Formosa, and to engage in whatever operations may be required to carry out that purpose.

To make this plain requires not only Presidential action but also congressional action. In a situation such as now confronts us, and under modern conditions of warfare, it would not be prudent to await the emergency before coming to the Congress. Then it might be too late. Already the warning signals are flying.

I believe that the threatening aspects of the present situation, if resolutely faced, may be temporary in character. Consequently, I recommend that the resolution expire as soon as the President is able to report to the Congress that the peace and security of the area are reasonably assured by international conditions, resulting from United Nations action or otherwise.

Again I say that we would welcome action by the United Nations which might, in fact, bring an end to the active hostilities in the area. This critical situation has been created by the choice of the Chinese Communists, not by us. Their offensive military intent has been flaunted to the whole world by words and by deeds. Just as they created the situation, so they can end it if they so choose.

What we are now seeking is primarily to clarify present policy and to unite in its application. We are not establishing a new policy. Consequently, my recommendations do not call for an increase in the Armed Forces of the United States or any acceleration in military procurement or levels of defense production. If any unforeseen emergency arises requiring any change, I will communicate with the Congress. I hope, however, that the effect of an appropriate congressional resolution will be to calm the situation rather than to create further conflict.

One final point. The action I request is, of course, no substitute for the treaty with the Republic of China which we have signed and which I have trans-

mitted to the Senate. Indeed, present circumstances make it more than ever important that this basic agreement should be promptly brought into force, as a solemn evidence of our determination to stand fast in the agreed treaty area and to thwart all attacks directed against it. If delay should make us appear indecisive in this basic respect, the pressures and dangers would surely mount.

Our purpose is peace. That cause will be served if, with your help, we demonstrate our unity and our determination. In all that we do we shall remain faithful to our obligations as a member of the United Nations to be ready to settle our international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

For the reasons outlined in this message, I respectfully request that the Congress take appropriate action to carry out the recommendations contained herein.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE,

January 24, 1955.

AUTHORIZATION FOR USE OF ARMED FORCES TO PROTECT SECURITY OF FORMOSA—JOINT RESOLUTION INTRODUCED

MR. GEORGE. Mr. President, on behalf of the senior Senator from Wisconsin [Mr. WILEY], the senior Senator from California [Mr. KNOWLAND], the senior Senator from Rhode Island [Mr. GREEN], the junior Senator from Georgia [Mr. RUSSELL], the senior Senator from Massachusetts [Mr. SALTONSTALL], and myself, I introduce a joint resolution, which I send to the desk and ask to have read.

THE VICE PRESIDENT. Without objection, the joint resolution will be read.

The joint resolution (S. J. Res. 28) authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area, introduced by Mr. GEORGE for himself and other Senators, was received, read the first time by its title, and the second time at length, as follows:

Whereas the primary purpose of the United States, in its relations with all other nations, is to develop and sustain a just and enduring peace for all; and

Whereas certain territories in the west Pacific under the jurisdiction of the Republic of China are now under armed attack, and threats and declarations have been and are being made by the Chinese Communists that such armed attack is in aid of and in preparation for armed attack on Formosa and the Pescadores; and

Whereas such armed attack if continued would gravely endanger the peace and security of the west Pacific area and particularly of Formosa and the Pescadores; and

Whereas the secure possession by friendly governments of the western Pacific island chain, of which Formosa is a part, is essential to the vital interests of the United States and all friendly nations in or bordering upon the Pacific Ocean; and

Whereas the President of the United States on January 6, 1955, submitted to the Senate

for its advice and consent to ratification a mutual defense treaty between the United States of America and the Republic of China, which recognizes that an armed attack in the west Pacific area directed against territories therein described in the region of Formosa and the Pescadores, would be dangerous to the peace and safety of the parties to the treaty: Therefore be it

Resolved, etc., That the President of the United States be and he hereby is authorized to employ the armed forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores.

This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions, created by action of the United Nations or otherwise, and shall so report to the Congress.

MR. GEORGE. Mr. President, I ask unanimous consent that, without such action being established as a precedent, the message received today from the President of the United States on the Nation's foreign policy, and the joint resolution which I have introduced today on behalf of myself and other Senators, be referred to the Committee on Foreign Relations and the Committee on Armed Services for joint consideration and study, including the holding of hearings if deemed advisable; and that those committees, acting through the chairman of one of such committees, shall, at the earliest practicable time, by bill or otherwise, submit their recommendations to the Senate.

MR. PRESIDENT. I point out that a similar resolution was introduced on July 28, 1949, when unanimous consent was given and an order was entered providing for joint consideration of the resolution by the Committee on Foreign Relations and the Committee on Armed Services. I am now making a similar request.

MR. KNOWLAND. Mr. President, will the Senator yield?

MR. GEORGE. I yield.

MR. KNOWLAND. I am glad to join with the distinguished Senator from Georgia in making this request for a unanimous-consent agreement. I believe there have been a number of occasions upon which measures have been referred for joint consideration to the two committees mentioned, which have primary responsibility in this field. I think it would be entirely fitting and proper for those two committees jointly to consider a matter of this importance.

THE VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Georgia? The Chair hears none, and, without objection, the unanimous-consent request is agreed to.

MR. GEORGE. Mr. President, the chairman of the Committee on Labor and Public Welfare [Mr. HILL], which is at present occupying the old Supreme Court room on this floor of the Capitol, will undertake to procure the consent of his committee that the hearings to which I have referred may be held in the old Supreme Court room. Inasmuch as there

is to be a joint hearing before the Committee on Foreign Relations and the Committee on Armed Services, it is necessary to provide a somewhat larger room than the regular committee room of the Committee on Foreign Relations.

I give notice that if consent is given by the Committee on Labor and Public Welfare for the use of the room, the hearings will begin this afternoon at 2:45.

In that connection, I ask unanimous consent that, should the Senate remain in session later than 2:45 p. m. today, the Committee on Foreign Relations and the Committee on Armed Services be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered?

Morning business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORTS ON OVEROBLIGATIONS OF APPROPRIATIONS

A letter from the Secretary of Defense, transmitting, pursuant to law, 36 reports relating to the overobligations of appropriations (with accompanying papers); to the Committee on Appropriations.

REPORT ON PROFESSIONAL AND SCIENTIFIC POSITIONS IN DEPARTMENT OF DEFENSE

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on professional and scientific positions in the Department of Defense, for the calendar year 1954 (with an accompanying report); to the Committee on Armed Services.

STRENGTHENING OF THE RESERVE FORCES

A letter from the Director, Legislative Programs, Department of Defense, transmitting a draft of proposed legislation to provide for strengthening of the Reserve Forces, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT ON OPERATIONS UNDER SELECTIVE SERVICE SYSTEM

A letter from the Director, Selective Service System, Washington, D. C., transmitting, pursuant to law, a report on the operations of that System dated June 30, 1954 (with an accompanying report); to the Committee on Armed Services.

AMENDMENT OF FEDERAL PROPERTY AND AD- MINISTRATIVE SERVICES ACT OF 1949

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes (with accompanying papers); to the Committee on Government Operations.

REPORT OF ADMINISTRATOR OF CIVIL AERONAUTICS

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Administrator of Civil Aeronautics for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ACQUISITION OF FACILITIES FOR ATOMIC ENERGY PROGRAM

A letter from the Chairman, United States Atomic Energy Commission, Washington, D. C., transmitting a draft of proposed legislation to authorize appropriations for plant and equipment, including acquisition or condemnation of real property or facilities,

and plant or facility acquisitions, construction, or expansion, for the atomic energy program (with an accompanying paper); to the Joint Committee on Atomic Energy.

AMENDMENT OF TRADING WITH THE ENEMY ACT, RELATING TO DEBT CLAIMS

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Trading With the Enemy Act relating to debt claims (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Idaho, relating to an amendment of the Sugar Act of 1948, as amended, in such manner as to enable the domestic sugar industry of the United States to have a fair and equitable share in the Nation's growth; to the Committee on Finance.

(See joint resolution printed in full when presented by Mr. WELKER, on January 21, 1955, p. 530, CONGRESSIONAL RECORD.)

A concurrent resolution of the Legislature of the State of Arkansas; to the Committee on Armed Services:

"Senate Joint Resolution 2

"Whereas the modern Army and Navy Hospital at Hot Springs National Park, Ark., was constructed at the cost of millions of dollars to all of the people of the United States; and

"Whereas during World War II it was expanded to include as its annex the great Eastman Hotel in Hot Springs; and

"Whereas this hospital is probably better located and situated to better serve as a hospital service center for our Army and Navy in time of atomic warfare than any other Government hospital in the United States; and

"Whereas in this hospital the patient members of our Armed Forces have the advantage of treatment with thermal hot waters, the benefits of which are unexcelled by any other similar treatment in the world; and

"Whereas the closing of this hospital by the Defense Department would be the zenith of extravagance and waste on the part of the Government and would be a calamity to the great national health resort of Hot Springs National Park, Ark.: Now, therefore, be it

"Resolved by the Senate and House of Representatives of Arkansas, That the Secretary of Defense be and is hereby respectfully requested and implored to rescind his order that such hospital be closed; be it further

"Resolved, That a copy of this resolution be forwarded to President Eisenhower, to Vice President Nixon, to Speaker Sam Rayburn, and to each Member of the Arkansas delegation in the United States Congress.

"Q. BYRUM HURST.

"I, Jim Snoddy, secretary of the senate, do hereby certify that this is a true copy of senate joint resolution No. 2 as adopted by the Senate and House of Representatives of the Sixtieth General Assembly of the State of Arkansas.

"JIM SNODDY,
"Secretary of the Senate."

A letter, in the nature of a petition, from Dr. Harold S. Jenneman, of Stanley, Wis., relating to the treaty-making power (with accompanying papers); to the Committee on Foreign Relations.

A letter, in the nature of a petition, from the American Dental Association, Chicago, Ill., signed by Harold Hillenbrand, secretary, embodying a resolution adopted by that association, relating to support of the program of the World Health Organization; to the Committee on Foreign Relations.

The petition of James McElwain, and sundry other citizens of the State of New York, relating to the treaty-making power; to the Committee on the Judiciary.

The petition of H. Joseph Mahoney, of Brooklyn, N. Y., relating to the treaty-making power (with an accompanying paper); to the Committee on the Judiciary.

By Mr. STENNIS:

A concurrent resolution of the Legislature of the State of Mississippi; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 5

"Concurrent resolution memorializing Congress to give its favorable consideration to legislation providing for an increase of cotton acreage to 19,500,000 acres

"Whereas the State of Mississippi is primarily dependent upon the health of its agricultural economy for the prosperity of its citizens and for making its contribution to the Nation's welfare; and

"Whereas the 1955 cotton crop, bulwark of Mississippi agriculture, has been seriously curtailed by a drastic reduction in acreage; and

"Whereas there are many small farmers in this State, a large number of whom have been dealt a mortal blow by the cotton acreage cut, and there now being an immediate economic emergency forced upon them by such reduction in cotton acreage; and

"Whereas legislation has been introduced in the Congress of the United States seeking to increase the cotton acreage allotment to 19,500,000 acres, which increase could do much toward alleviating hardship among cotton farmers, and particularly among those with small cotton acreage allotments; and

"Whereas it is the view of the Legislature of the State of Mississippi that this matter is of vital and pressing concern to the people of this State and to the Nation: Now, therefore, be it

"Resolved by the House of Representatives of the State of Mississippi (the senate concurring therein), That the Congress of the United States of America be, and it is hereby, memorialized to give its most earnest and favorable consideration to the legislation now pending therein providing for a cotton acreage increase to 19,500,000 acres; be it further

"Resolved, That a copy of this resolution be forwarded to the President of the United States, to the Secretary of Agriculture, to members, both Senate and House, of the Mississippi delegation in Congress, and that a copy of this resolution be released to the press.

"Adopted by the house of representatives January 12, 1955.

"WALTER SILLERS,

"Speaker of the House of Representatives.

"Adopted by the senate January 17, 1955.

"CARROLL GARTIN,

"President of the Senate."

By Mr. GREEN (for himself and Mr. PASTORE):

Three resolutions of the General Assembly of the State of Rhode Island; to the Committee on Finance:

"Resolution memorializing Congress to enact legislation increasing the personal income tax exemptions

"Whereas it is estimated that approximately 80 percent of Rhode Island's industrial workers are engaged in either directly producing goods for the consumer market, or producing materials or parts for consumer goods; and

"Whereas Rhode Island's goods are sold in a national market, and therefore the prosperity of Rhode Island business and industry and high levels of earnings and employment depend on a sustained and rising level of consumer purchasing power throughout the Nation; and

"Whereas extensive unemployment has resulted from the fact that the Nation's productive capacity exceeds present levels of consumption; and

"Whereas it is essential to a more prosperous Rhode Island and a more prosperous Nation that national purchasing power be increased; and

"Whereas such an increase in purchasing power would be most effective and beneficial to the lower income groups who must spend the highest proportion of their income: Now, therefore, be it

Resolved, That the General Assembly of the State of Rhode Island hereby memorializes the Congress of the United States to enact legislation increasing the personal income-tax exemptions; and be it further

Resolved, That attention of the Senators and Representatives from Rhode Island in the Congress of the United States is respectfully called to these facts and that each is requested to use his best efforts in this behalf; and be it further

Resolved, That the secretary of state be and he is hereby authorized and directed to transmit to the respective presiding officers of both branches of Congress and to the Senators and Representatives from the State of Rhode Island in the Congress of the United States, duly certified copies of this resolution."

"Resolution urging Congress to enact legislation to incorporate the principle of reinsurance as a means of enabling the Federal Government to assume its responsibilities in financing the employment security program and thereby equalizing the tax burden among the States

"Whereas, Rhode Island has few natural resources and is dependent on light manufacturing industries; and

"Whereas the economy of Rhode Island and that of other industrialized States depends largely upon a demand for our manufactured products which is far beyond a State's border to contain and far beyond a State's power to control; and

"Whereas these and most causes of unemployment are national in scope; and

"Whereas the effects of unemployment fall unevenly upon the highly industrialized States, of which Rhode Island is one; and

"Whereas this results in a severe drain on the Rhode Island employment security fund, placing this State in an unfavorable competitive position with other States not so severely affected: Now, therefore, be it

Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations hereby urges the Congress of the United States to pass, and the President of the United States to approve, if passed, legislation which would incorporate the principle of reinsurance as a means of enabling the Federal Government to assume its responsibility in financing in part the employment security program and thereby equalizing the tax burden among the States; and be it further

Resolved, That duly certified copies of this resolution be transmitted forthwith by the secretary of state to the President of the United States and to each of the Senators and Representatives from Rhode Island in the Congress of the United States, earnestly requesting the latter to use their efforts to be certain that legislation is enacted which would carry out the purposes of this resolution."

"Resolution urging the President of the United States, the Congress of the United States, the Secretary of State of the United States, and the Tariff Commission to enact and maintain tariff rates on textiles, including lace, jewelry, and rubber goods imports

"Whereas textile, jewelry, and rubber goods manufacturing are three of Rhode Island's

major industries employing over 54 percent of Rhode Island's manufacturing workers; and

"Whereas manufacturing is the foundation of the Rhode Island economy whereby over one-half of the entire State's population is directly or indirectly dependent upon such industries; and

"Whereas in all of these industries labor and labor costs are vital factors representing about 60 percent of the value of the manufactured product; and

"Whereas such products can be and are manufactured today in many parts of the world, often with the aid of the latest types of American equipment; and

"Whereas the consequent threat of price competition from low-wage countries abroad is very real; and

"Whereas recent studies by the United States Bureau of Labor Statistics indicate the large wage differentials which place American manufacturers at a decided competitive disadvantage; and

"Whereas the Rhode Island textile industry, including lace goods, represents about 30 percent of all manufacturing employment and a total investment of \$300 million; and

"Whereas the jewelry industry employs about 19 percent of Rhode Island manufacturing workers; and

"Whereas the manufacture of rubber products represents a substantial portion of industry in this State; and

"Whereas this tremendous percentage of Rhode Island industrial workers would be forced into the ranks of the unemployed upon the closing of the mills and factories of this State: Now, therefore, be it

Resolved, That the President of the United States insist on increasing and maintaining proper tariffs on the imports of textiles, including lace, jewelry, and rubber goods imports; and be it further

Resolved, That the Secretary of State of the United States enter into no agreements and make no concessions to any foreign nation which would affect adversely the manufacture and sale of textiles, including lace, jewelry, and rubber goods imports; and be it further

Resolved, That the Congress of the United States and more particularly the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives take every legislative precaution in enacting proper legislation to insure the creation and maintenance of proper tariff rates on textiles, including lace, jewelry, and rubber goods imports; and be it further

Resolved, That duly certified copies of this resolution be transmitted forthwith by the secretary of state to the President of the United States, to the Secretary of State of the United States, to the Tariff Commission of the United States, to the chairman of the Senate Committee on Finance and to the chairman of the Committee on Ways and Means of the House of Representatives, and to the Senators and Representatives from Rhode Island in the Congress of the United States earnestly requesting that each use his best efforts to bring about the enactment and maintenance of proper tariff rates on textiles, including lace, jewelry, and rubber goods imports, to the end that the manufacture and sale of such goods in the United States are not jeopardized."

By Mr. GREEN (for himself and Mr. PASTORE):

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Armed Services:

"Resolution urging the President of the United States, the Congress, and the Secretary of Defense of the United States to reappraise Manpower Policy No. 4 to the end that Rhode Island may receive its fair share of defense contracts, so-called

"Whereas there has been a sharp reduction of Federal defense contracts, so-

called, in Rhode Island over the past 2 years; and

"Whereas such reduction can be considered directly responsible for a decline in Rhode Island manufacturing employment of over 11,000 workers which represent 40 percent of Rhode Island's current unemployment in manufacturing; and

"Whereas it is evident that Federal Manpower Policy No. 4 aimed at channeling defense contracts into labor surplus areas has had little effect on Rhode Island in the past year: Now, therefore, be it

Resolved, That, if defense contracts are to be used successfully to combat unemployment in distressed areas, the General Assembly of the State of Rhode Island urges the President of the United States, the Congress of the United States, and the Secretary of Defense of the United States to reappraise Federal Manpower Policy No. 4 and to overhaul and better coordinate the general procurement policy of the Federal Government to the end that Rhode Island may receive its fair share of defense contracts, so-called; and be it further

Resolved, That duly certified copies of this resolution be transmitted forthwith by the secretary of state to the President of the United States, to the Senators and Representatives from Rhode Island in the Congress of the United States, and to the Secretary of Defense of the United States, earnestly requesting that each use his efforts to see that proper action is taken which would carry out the purposes of this resolution."

DEEPENING OF GREAT LAKES CONNECTING CHANNELS — RESOLUTIONS

Mr. WILEY. Mr. President, from all over Wisconsin I have received welcome resolutions from various civic groups urging early action to deepen the connecting channels of the upper Great Lakes.

This project is the subject of a bill which I have already introduced, (S. 171) to authorize the modification of the existing projects for the Great Lakes connecting channels above Lake Erie, for this purpose.

I present two such representative resolutions, which I heartily endorse. I ask unanimous consent that the resolutions be printed in the RECORD, and be thereafter appropriately referred.

There being no objection, the resolutions were referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

"Whereas the United States Army Corps of Engineers has filed its report on the cost of the proposed deepening and improving of the connecting channels of the Great Lakes, with particular reference to the Detroit River, Lake St. Clair, the St. Marys River and some shoal spots in the Straits of Mackinac; and

"Whereas the completion of said channel deepening and improvement project will permit large ships to enter the Great Lakes ports upon the completion of the St. Lawrence Seaway when operating at maximum draft; and

"Whereas said channel deepening and improvement project will be beneficial to the city of Racine and to all of the other Great Lakes port cities, as well as the neighboring communities: Be it

Resolved, That the mayor and the Common Council of the City of Racine do hereby urge Senators ALEXANDER WILEY and JOSEPH R. MCCARTHY and Congressman LAWRENCE H. SMITH to support any legislation, the purpose of which is to institute and complete

the above referred to channel deepening and improving projects; be it further

"Resolved, That the city clerk be and hereby is authorized and directed to transmit certified copies of this resolution to the above referred to congressional representatives forthwith."

STATE OF WISCONSIN,

County of Racine, ss:

I, Frank J. Becker, city clerk of the city of Racine, Racine County, Wis., do hereby certify that the foregoing resolution was adopted by the Common Council of the City of Racine, Wis., at a meeting held January 18, 1955.

Dated this 20th day of January 1955.

FRANK J. BECKER,
City Clerk.

"Whereas the benefits to our country of the long-awaited St. Lawrence Seaway will be fully realized only if the connecting channels of the Great Lakes are deepened so as to permit deep-draft vessels to reach all of the lake ports in the Midwest; and

"Whereas it is expected that legislation will shortly be presented to the Congress authorizing the deepening of these channels and appropriating the funds determined to be necessary by the Corps of Engineers: Be it

"Resolved by the Council of the City of Kenosha, That this council favors the passage of such legislation to the end that the great seaway project may most fully serve its intended purpose; and be it further

"Resolved, That a copy of this resolution be forwarded to our congressional Representatives.

"Dated this 17th day of January 1955.

"R. MERRILL RHEY,
"President of Council."

I, J. R. Sawicki, city clerk, hereby certify that the above is a true and correct copy of resolution No. 5484 passed by the Council of the City of Kenosha, Wis., on the 17th day of January 1955.

J. R. SAWICKI, City Clerk.

ANTIMONOPOLY INVESTIGATION— RESOLUTION

Mr. WILEY. Mr. President, I present a resolution which I have received from C. F. Baldwin, manager of the Richland Cooperative Electric Association, of Richland Center, Wis. This resolution urges the allocation of sufficient funds to continue the investigation of monopoly by the Senate Judiciary Subcommittee.

I believe that this investigation should indeed be carried on, and should have sufficient appropriations to enable it to do its job in a fair, effective, thorough way.

I ask unanimous consent that the resolution be printed in the RECORD, and be thereafter appropriately referred to the Senate Rules Committee.

There being no objection, the resolution was referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

RICHLAND COOPERATIVE ELECTRIC
ASSOCIATION,

Richland Center, Wis., January 21, 1955.
Senator ALEXANDER P. WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The following resolution was adopted by the board of directors at their meeting of January 17, 1955:

"Whereas the Senate Judiciary Committee has been conducting a limited investigation of monopolies and restricted trade programs aimed at farm rural electrification programs; and

"Whereas insufficient funds have been appropriated for such investigations during the last session of Congress: Therefore be it

"Resolved, That we urge Senator ALEXANDER WILEY, Wisconsin member of the Judiciary Committee, and other Members of the United States Senate to vote sufficient funds to complete the investigations of monopoly which have been started by the Judiciary Subcommittee."

It has been the opinion of this cooperative that Senator LANGER has been doing an excellent job with the limited resources he has had to work with. However, we believe that he could do a more thorough job if he had adequate funds to work with, and that his findings would prevent some repetition of economic catastrophes our country has experienced in the past. Is this in agreement with your opinion?

Respectfully yours,

C. F. BALDWIN, Manager.

CONSTRUCTION OF THE UPPER COLORADO RIVER STORAGE PROJ- ECT—RESOLUTIONS

Mr. ANDERSON. Mr. President, the San Juan County Reclamation Association of Farmington, N. Mex., and the chamber of commerce of that fine community, have requested that I present to the Senate resolutions adopted by them endorsing the construction of the upper Colorado River storage project and participating projects, and specifically the Navaho Indian project. I ask unanimous consent that the resolutions be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas legislation is now before the Congress of the United States to authorize the Secretary of the Interior to construct, operate, and maintain the upper Colorado River storage project and participating projects; and

Whereas included in said legislation is the Navaho project in New Mexico which will utilize San Juan River waters, mainly to irrigate and rehabilitate a large section of land on the Navaho Indian Reservation; and

Whereas such rehabilitation, under the Navaho Indian project, will eventually be of great assistance to the Navaho Tribe in their struggle for survival, which assistance has heretofore been denied the Navaho Indians through the Nation's failure to comply with the Treaty of 1868; and

Whereas the citizens of San Juan Basin of New Mexico are fully cognizant of the plight of this minority group and urge full support be given to that end: Therefore be it

Resolved, That the Farmington Chamber of Commerce of Farmington, N. Mex., expressing the wishes of the people of Farmington, N. Mex., enthusiastically endorses and fully supports congressional action to authorize the upper Colorado River storage project and participating projects, and specifically the Navaho project.

FARMINGTON CHAMBER OF COMMERCE,
FARMINGTON CHAMBER OF COMMERCE,
By ERNEST H. BRUSS, President.

A. J. ZIMMERMAN, Secretary.

Whereas legislation is now before the Congress of the United States to authorize the Secretary of the Interior to construct, operate, and maintain the upper Colorado River storage project and participating projects; and

Whereas included in said legislation is the Navaho project in New Mexico which will utilize San Juan River waters; and

Whereas the Navaho project is mainly a Navaho Indian project which will ultimately

result in great assistance to the tribe in solving a most serious economic problem, aside from rectifying some of this Nation's failures in compliance with the treaty of 1868; and

Whereas it is the desire and wish of all citizens of the San Juan Basin area of New Mexico that full support be expended toward the end of seeking congressional authorization of the Navaho project: Therefore be it

Resolved, That the San Juan Reclamation Association of Farmington, N. Mex., expressing the wishes of the people of San Juan Basin in New Mexico, enthusiastically endorses and fully supports congressional action to authorize the upper Colorado River storage project and participating projects, and specifically the Navaho project.

SAN JUAN RECLAMATION ASSOCIATION,

By Ed H. FOSTER, President.

Attest:

A. J. ZIMMERMAN, Secretary.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THYE:

S. 663. A bill for the relief of William T. Collins (Vasilios T. Buzonis); and

S. 664. A bill for the relief of Mecys Jau-niskis; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 665. A bill to revise section 3 of the District of Columbia Public School Food Services Act;

S. 666. A bill to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 667. A bill to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended; and

S. 668. A bill to amend the District of Columbia Teachers' Salary Act of 1947 as amended; to the Committee on the District of Columbia.

By Mr. NEELY (for himself, Mr. ALLOTT,

Mr. BARRETT, Mr. BEALL, Mr. BIBLE, Mr. BUTLER, Mr. CARLSON, Mr. CASE of South Dakota, Mr. CASE of New Jersey, Mr. CHAVEZ, Mr. DOUGLAS, Mr. DUFF, Mr. FLANDERS, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. KEFAUVER, Mr. KENNEDY, Mr. KILGORE, Mr. KUCHEL, Mr. LEHMAN, Mr. MAGNUSON, Mr. MANSFIELD, Mr. McNAMARA, Mr. MORSE, Mr. MURRAY, Mr. NEUBERGER, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. SALTONSTALL, Mr. THYE, Mr. SMITH of New Jersey, and Mr. WATKINS):

S. 669. A bill to provide an elected mayor, city council, school board, and nonvoting delegate to the House of Representatives for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. DANIEL:

S. 670. A bill to increase the penalties prescribed for violation of the Sherman Antitrust Act and the antitrust provisions of the Wilson Tariff Act; to the Committee on the Judiciary.

(See the remarks of Mr. DANIEL when he introduced the above bill, which appear under a separate heading.)

By Mr. GREEN:

S. 671. A bill for the relief of Charalambos Anastasios Papaspiratos; and

S. 672. A bill for the relief of Richard T. Harvey; to the Committee on the Judiciary.

By Mr. SMATHERS (for himself and Mr. HOLLAND):

S. 673. A bill to provide for a Veterans' Administration neuropsychiatric hospital of

1,000 beds at Gainesville, Fla.; to the Committee on Labor and Public Welfare.

By Mr. MURRAY:

S. 674. A bill to amend section 14 (b) of the National Labor Relations Act so as to protect the rights of employees and employers, in industries affecting commerce, to enter into union-shop agreements; to the Committee on Labor and Public Welfare.

By Mr. RUSSELL:

S. 675. A bill for the relief of Mrs. Romalda Stase Plachowa Manley; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 676. A bill for the relief of Robert A. Borromeo; to the Committee on the Judiciary.

By Mr. McNAMARA:

S. 677. A bill for the relief of Susanne Feller; to the Committee on the Judiciary.

By Mr. BENDER:

S. 678. A bill for the relief of Abbas Mohammad Awad; to the Committee on the Judiciary.

By Mr. MARTIN of Iowa:

S. 679. A bill for the relief of Shalom Fred Ron; to the Committee on the Judiciary.

By Mr. BARRETT:

S. 680. A bill to provide for granting to the several States the minerals and mineral rights subject to disposition under the Mineral Leasing Act of 1920 on the condition that the income from such minerals and mineral rights be used for certain public purposes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BUTLER:

S. 681. A bill to authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage, or other subversion;

S. 682. A bill to accelerate consideration by the courts of criminal proceedings involving treason, espionage, sabotage, sedition, and subversive activities, and to increase to 15 years the statute of limitations applicable to such offenses;

S. 683. A bill for the relief of Ashley G. Ogden; and

S. 684. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Oscar Ems de Huy; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 685. A bill for the relief of Yen-Yu Huang and his minor daughters, Li-An Huang (also known as Lillian Huang and Lillian Kan), and Chi-An Huang (also known as Jean Huang and Jean Kan); to the Committee on the Judiciary.

By Mr. McCLELLAN (for himself, Mr. SPARKMAN, Mr. FULBRIGHT, Mr. STENNIS, Mr. SYMINGTON, Mr. HENNING, Mr. KEFAUVER, Mr. GORE, Mr. KERR, Mr. MONROE, Mr. ELLENDER, Mr. LONG, Mr. MAGNUSON, Mr. JACKSON, Mr. CLEMENTS, Mr. LEHMAN, Mr. JOHNSTON of South Carolina, Mr. ERVIN, Mr. MURRAY, Mr. SMATHERS, Mr. MORSE, Mr. NEUBERGER, Mr. McNAMARA, and Mr. NEELY):

S. 686. A bill to provide for Federal financial assistance to the States in the construction of public elementary and secondary school facilities, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 687. A bill to authorize the Secretary of Agriculture to protect the timber and other surface values of lands within the national forests, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. JOHNSTON of South Carolina:

S. 688. A bill to authorize and direct the Civil Service Commission to make a study of the Classification of, and rates of basic compensation payable with respect to tech-

nical, scientific, and engineering positions in the classified civil service; to the Committee on Post Office and Civil Service.

By Mr. LANGER:

S. 689. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. O'MAHONEY:

S. 690. A bill to amend section 35 of the Oil Lands Leasing Act of 1920, relating to the disposition of the proceeds of sales, bonuses, royalties, and rentals under such act; to the Committee on Interior and Insular Affairs.

By Mr. DANIEL (for himself and Mr. JOHNSON of Texas):

S. 691. A bill to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of Plan- cor No. 877 at Baytown, Tex.; to the Committee on Banking and Currency.

(See the remarks of Mr. DANIEL when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND):

S. 692. A bill to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

By Mr. POTTER (for himself, Mr. AL- LOTT, Mr. BARRETT, Mr. BEALL, Mr. BRICKER, Mr. BENDER, Mr. BUSH, Mr. BRIDGES, Mr. CAPEHART, Mr. CARLSON, Mr. COTTON, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHA- VEZ, Mr. DUFF, Mr. DOUGLAS, Mr. DIRKSEN, Mr. ERVIN, Mr. EAST- LAND, Mr. FLANDERS, Mr. GOLDWATER, Mr. GREEN, Mr. HRUSKA, Mr. HICKEN- LOOPER, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JOHNSTON of South Carolina, Mr. KUCHEL, Mr. KENNEDY, Mr. KILGORE, Mr. LANGER, Mr. LEH- MAN, Mr. MUNDT, Mr. MARTIN of Pennsylvania, Mr. MALONE, Mr. MANSFIELD, Mr. MAGNUSON, Mr. MUR- RAY, Mr. NEUBERGER, Mr. PAYNE, Mr. PURTELL, Mr. PASTORE, Mr. SALTON- STALL, Mrs. SMITH of Maine, Mr. SCHOEPEL, Mr. SMATHERS, Mr. SPARKMAN, Mr. SCOTT, Mr. THYE, Mr. THURMOND, Mr. WELKER, Mr. WILEY, Mr. WATKINS, and Mr. YOUNG):

S. 693. A bill for the establishment of the United States Commission on the Aging and Aged; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. POTTER when he introduced the above bill which appear under a separate heading.)

By Mr. BENNETT:

S. 694. A bill for the relief of Jacob Fraim Zubli; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 695. A bill for the relief of Cirilo Jose;

S. 696. A bill for the relief of Melton T. Tapawan;

S. 697. A bill for the relief of Mateo Parilla;

S. 698. A bill for the relief of Alvaro A. Jose;

S. 699. A bill for the relief of Alfredo A. Sevilla; and

S. 700. A bill for the relief of Mariano J. Uy; to the Committee on the Judiciary.

By Mr. GEORGE (for himself, Mr. WILEY, Mr. GREEN, Mr. KNOWLAND, Mr. RUSSELL, and Mr. SALTONSTALL):

S. J. Res. 28. Joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area; to the Committees on Foreign Relations and Armed Services, jointly.

(See the remarks of Mr. GEORGE when he introduced the above joint resolution, which appear under a separate heading.)

INCREASED PENALTIES FOR VIOLA- TION OF SHERMAN ANTITRUST AND WILSON TARIFF ACTS

Mr. DANIEL. Mr. President, I intro-
duce, for appropriate reference, a bill
which would increase from \$5,000 to
\$50,000 the maximum penalty for viola-
tion of the laws prohibiting trusts and
monopolies.

This proposal is in line with the rec-
ommendation made by the President in
his Economic Report, page 50, which
reads as follows:

The Government has a responsibility to
maintain easy entry into trade and industry,
to check monopoly, and to preserve a com-
petitive environment. All efficiently man-
aged businesses benefit from such policies—
new and small firms most of all. Recogniz-
ing this fact, the Attorney General appointed
a national committee to study the antitrust
laws, composed of distinguished citizens and
legal experts, to recommend improvements
in the substance and administration of our
Federal laws to promote competition and
prevent monopoly. Even prior to the sub-
mission of the report of this committee, it
would be well to strengthen the deterrent
to violation of the Sherman Antitrust Act
by raising substantially the maximum fine
that may be imposed under the act.

The increase in penalty was further
recommended by the Attorney General
in a message to the Vice President dated
January 21, 1955, a copy of which has
been placed in the RECORD.

As a former prosecutor of antitrust
and monopoly cases in the State of
Texas, I wholeheartedly agree that the
maximum penalty contained in the pres-
ent law is entirely too low. Practically
every State in the Union has higher
maximum fines for violation of State
antitrust and monopoly laws.

Texas, for instance, which has one of
the oldest and strongest antitrust laws
in the Nation, permits penalties as high
as \$1,500 a day for each day that the
violation continues. During my 6 years
as attorney general of Texas, the record
shows that our State prosecuted and
brought to judgment more antitrust suits
than any other State in the Nation.
These included suits against monopolies,
price-fixing and restraint of trade among
oil and gas companies, milk distributors,
bread companies, butane gas companies,
typewriter manufacturers, construction
companies, building and trade councils,
ginners, and many appliance companies,
all of whom were injuring the consum-
ing public of our State.

In all of these lawsuits involving more
than 125 persons and corporations, with
only 2 exceptions, our penalties were
more than \$5,000, which is the present
maximum penalty for violation of the
Federal antitrust laws. Actually, \$5,000
would be more realistic as a minimum
fine rather than a maximum if we are
to use this as a real deterrent to viola-
tion of our antitrust and monopoly laws.

Stiffer penalties and proper enforce-
ment of both State and Federal laws
against trusts and monopolies are essen-
tial to the preservation of free enter-
prise and the protection of the public
welfare. We cannot have free enter-
prise without free competition. Trusts
and monopolies strangle competition and
reap a heavy toll of exorbitant profits
from the consuming public.

The fight against trusts and monopolies is a continuing battle. Congress should do everything within its power to assist in this essential responsibility of government. It is believed that the proposed increase in penalties will constitute an effective additional weapon in this conflict.

Mr. President, in addition to the amendment to the Sherman Antitrust Act, recommended by the Attorney General, the bill which I am introducing would likewise amend the antitrust provision of the Wilson Tariff Act so as to increase the penalty imposed on any importers who violate the provisions of that law against trusts and monopolies.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 670) to increase the penalties prescribed for violation of the Sherman Antitrust Act and the antitrust provisions of the Wilson Tariff Act, was received, read twice by its title, and referred to the Committee on the Judiciary.

FEDERAL ASSISTANCE IN CONSTRUCTION OF PUBLIC ELEMENTARY AND SECONDARY SCHOOL FACILITIES

Mr. McCLELLAN. Mr. President, on behalf of myself, the Senator from Alabama [Mr. SPARKMAN], my colleague the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Mississippi [Mr. STENNIS], the senior Senator from Missouri [Mr. SYMINGTON], the junior Senator from Missouri [Mr. HENNING], the senior Senator from Tennessee [Mr. KEFAUVER], the junior Senator from Tennessee [Mr. GORE], the senior Senator from Oklahoma [Mr. KEERR], the junior Senator from Oklahoma [Mr. MONRONEY], the senior Senator from Louisiana [Mr. ELLENDER], the junior Senator from Louisiana [Mr. LONG], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Washington [Mr. JACKSON], the Senator from Kentucky [Mr. CLEMENTS], the Senator from New York [Mr. LEHMAN], the Senator from South Carolina [Mr. JOHNSON], the Senator from North Carolina [Mr. ERVIN], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. SMATHERS], the senior Senator from Oregon [Mr. MORSE], the junior Senator from Oregon [Mr. NEUBERGER], the Senator from Michigan [Mr. McNAMARA], and the Senator from West Virginia [Mr. NEELY], I introduce for appropriate reference a bill to provide for Federal financial assistance to the States in the construction of public elementary and secondary school facilities, and for other purposes.

With only minor and clarifying changes, this is the same as the bill I introduced last year during the 83d Congress on behalf of myself and some 24 cosponsors. It, together with others, was the subject of extensive hearings before the Subcommittee on Education of the Committee on Labor and Public Welfare, from May 11 to June 9, 1954.

While no action was taken last year on any of these several bills, including the one I introduced with 24 cosponsors, the hearings on them did arouse a na-

tionwide interest in the problem growing out of the alarming shortage of elementary and secondary school facilities.

This interest has prompted the introduction of several bills in the Senate and in the House since this Congress convened, all directed to the solution of this problem. Included among them is one (S. 5) introduced by the chairman of the Committee on Labor and Public Welfare [Mr. HILL], in which a number of Senators joined as cosponsors.

Specific mention is made of that bill in view of its sponsorship and because it is an emergency measure providing for a 2-year program of assistance of \$500 million a year. On the other hand, the bill I am introducing provides for a continuing program of Federal assistance because it will be a continuing problem for some years to come. And while there is no limit in the amount of assistance that may be extended, this can be determined from year to year depending upon economic and budgetary factors.

The bill last year was introduced after advising with the cosponsors, a number of representatives of educational associations and outstanding leaders in the field of education. It was the consensus of those with whom I conferred that there was little hope for the enactment of general Federal Aid for Education legislation.

We all recall the futile efforts which have been made in recent years to enact such legislation. During my 12 years of service the Senate has passed two bills to provide general Federal Aid for Education to the several States. One was passed by a vote of 58 to 22 on April 1, 1948, and the second on May 15, 1949, by even a larger vote—58 to 15. However, in each of those instances the House failed to act. The record of efforts to enact such general legislation goes beyond those years, as the Senate will recall. In fact in 1943—October 20 to be exact—such a bill was recommitted after lengthy debate on the Senate floor.

The opposition to proposals to provide general Federal aid for education stemmed from a fear that Federal aid would open the door for Federal control and supervision of the public school systems of the several States.

In view of this history, it was obvious that Federal participation in any kind of nationwide educational program should be limited. This has been done in this bill. A working arrangement between the Federal Government and the several States is proposed in financing the construction of public elementary and secondary school facilities. It is patterned in principle after the Hill-Burton Act, which provides Federal aid for the construction of hospitals and mental institutions, and also after the law providing for Federal aid for highways. Those laws have been in operation for a number of years and the administration of them has thoroughly demonstrated that we can have Federal aid without Federal interference or control. The Federal Government exercises no control, supervision, or authority over the operation of hospitals which have been constructed with Federal assistance under the Hill-Burton Act.

As a further safeguard, the bill provides that when any of the funds allocated to a State are paid into the State Treasury they become funds of the State to which it was paid. It further provides:

Except as specifically provided by this act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over, or prescribe any requirements with respect to any State agency, school agency, or school to which any funds have been or may be paid under this act.

So, Mr. President, there cannot be, and there will not be, any Federal authority, control, or supervision of our public school systems under the proposed legislation.

Under the provisions of this bill not one dollar appropriated by the Congress under the authorization proposed in it can be used to pay any part of the operating expenses of any school that would be or might hereafter become eligible for the assistance this measure would provide. It is limited solely to Federal financial assistance to the several States for the construction of public elementary and secondary school facilities.

But its enactment would operate to free local revenues of many school districts from a part of the future debt service obligations which they would have to incur for the construction of buildings. The funds thus released would be available for general administrative expenses and for increases in the pay of teachers. In effect, this would be of direct general assistance to school districts in this indirect way without permitting any supervision or control over the affairs of their schools by the Federal Government.

Under the terms of the bill each State desiring to participate in the proposed program would, among other things, be required to submit a State plan for carrying out the purposes of this act within such State, setting forth on the basis of a statewide inventory existing school facilities and a survey of the need for additional school facilities within such State. The State plan would also have to provide means whereby each school agency within the State shall have reasonable notice of the provisions of this act and opportunity to apply for a project grant or grants, and to be heard in support of such application, before the State plan is approved by the State agency for submission to the Commissioner of Education of the United States Department of Health, Education and Welfare. Such plan would further prescribe the principles adopted for determining the relative priority of projects and allotment of Federal and State funds to projects included in such plans, taking into account (a) the relative urgency of the need within the different areas of the State for additional school facilities and (b) the relative financial resources of the several school agencies within the State.

It, therefore, is the intent of this proposed legislation to channel the Federal funds, or the major portion thereof, into States where the greatest need for assistance exists and also down into the areas, localities, and particular school districts

where additional school facilities are needed the most and where the local school revenues are presently inadequate to provide such facilities and at the same time to pay the operating costs necessary to maintain a reasonable minimum standard for elementary and secondary schools.

To carry out that intent, the bill sets forth a formula for the allocation of Federal appropriations to the several States. This formula is based on the number of school students and the per capita income of the State as compared to the average per capita income of the Nation.

This formula, or one very similar to it, must be used in any Federal aid for education program if we are to move effectively toward the much-desired objective of providing equal educational opportunities for all our children.

Possibly no formula yet suggested is perfect, but the one used in this bill is workable and is substantially fair and equitable. It surely will operate to channel such Federal assistance as the Congress may be willing to authorize into those areas and districts where school facilities are inadequate or are deemed unsatisfactory.

During the hearings on a similar bill last year I said on several occasions, and I repeat with emphasis now, that it is the solution of the problem in which I am interested rather than quibbling over the merits of formulas.

The several formulas used in the bills introduced last year were thoroughly analyzed and discussed by experts who appeared as witnesses before the Subcommittee on Education during its hearings on those bills. Extensive general hearings on the subject of Federal Aid for School Construction were conducted also by a special subcommittee of the House Committee on Education and Labor on October 6, 7, and 8, 1954, pursuant to House Resolution 115. I refer Members of the Senate to the testimony as contained in the record of both of those hearings for a complete analysis and explanation of the theories underlying the several formulas studied, and as to how they would work out in practice in the distribution of appropriated funds among the several States. At pages 299 and 300 of the record of the hearings before the Senate Subcommittee on Education there is a table which I inserted in the record and which was prepared at my request by the staff of the Commissioner of Education. This table shows how, under the formula used in this bill, a stated amount of money—\$95 million in this instance—would be distributed to the several States.

Many Members of the Senate as well as the House, representatives of a number of education associations, outstanding educators, and prominent citizens deeply concerned about the problem appeared during those hearings or submitted statements for the record. It was the unequivocal opinion of most of those witnesses that the Federal Government should recognize its responsibility in this national crisis of school-facility shortage, and urged immediate action on this bill or a similar one as a logical and

sound Federal-State cooperative approach to its solution.

What is this crisis?

The following quotation from the statement of Dr. Samuel M. Brownell, Commissioner of Education, submitted to the Senate Subcommittee on Education and included in the record of its hearings of last year at pages 318 et seq., gives some startling figures with respect to the status of our elementary and secondary school facilities:

You have heard many witnesses reinforce evidence of the need for school construction. There is no question as to the need for construction of additional school facilities. The first phase of the recently completed school facilities survey, conducted under title 1 of Public Law 815, indicated a shortage in 1952 of 312,000 instructional rooms of public elementary and secondary schools. The 1954 shortage is estimated to be approximately 340,000.

These figures do not include the buildings needed for higher education. Neither do they provide for the increased enrollment ahead. The situation of classroom shortage has not suddenly occurred. It has been developing over a considerable number of years. If we are to meet current needs, we must build 117,000 new classrooms annually. We built in each of the years of 1951, 1952, and 1953, approximately 50,000. We are thus falling behind at the rate of 67,000 classrooms annually. Assuming merely a continuation of the 1953 rate of construction and obsolescence, the backlog for 1960 would be 507,000 classrooms. To construct the approximately 340,000 classrooms needed now, without regard to the increased enrollments ahead, would cost roughly \$10 billion to \$12 billion.

When we look at these figures in relation to the enrollment forecasts of the Nation it becomes apparent that the school-construction problem is a very big one and one that will continue over many years.

The figures included in this quotation from Dr. Brownell's statement were taken from the Report of the Status Phase of the School Facilities Survey, authorized by title I, Public Law 815, 81st Congress, published in December 1953, and reflect the status and condition of our elementary and secondary school facilities in 43 States as of the commencement of the school year 1952-53. This survey, as we know, was conducted by the educational agencies of the respective States in cooperation with and coordinated by the School Housing Section of the Office of Education, United States Department of Health, Education, and Welfare. While the survey covers only 43 States, data for the 5 States not included in it are available, and some if not most of the statistical information contained in the report has been revised by individuals and associations to reflect the facts with respect to the status and condition of these school facilities in all 48 States as of September 1954.

I invite the attention of the Senate to this report because it gives a graphic description of the status and condition of our elementary and secondary school facilities. The facts disclosed by the 43 charts in the report, supported by the statistical data contained in the 43 tables that make up the appendix of it, give a picture of the status and condition of such facilities that is startling and deplorable.

As an example, 35.1 percent of our school plants are rated as unsatisfactory. In this category are rented quarters and other facilities not suitable or adaptable to school purposes; barracks buildings or similar structures not designed for school use, and makeshift quarters in buildings redesigned for classrooms. This means that approximately 22.9 percent of our school population are housed in unsatisfactory plants, and approximately 22.8 percent are attending school in buildings not meeting fire-safety conditions—a polite definition for firetraps.

Inasmuch as the statistics in that report are not revised to date, it should be borne in mind that, based on the present rate of construction and obsolescence and taking into consideration the rate of increase in our school population, 70,000 classrooms are being added annually to the present 340,000 backlog of shortage mentioned in the quoted excerpts from Commissioner Brownell's statement submitted to the Subcommittee on Education last year.

On December 2, 1954, the Special Committee on Federal Aid for School Construction submitted its unanimous report to the House of Representatives. This report is based upon extensive hearings conducted by that committee in October of last year. Here is what that report has to say about the problem:

There is no question that more classrooms are urgently needed. This need has been repeatedly demonstrated by school facilities surveys, by reports from State governors, and by testimony during extensive subcommittee hearings. It will cost from ten to twelve billion dollars to provide adequate classrooms for children now enrolled, and enrollment will increase markedly in the next few years. The hearings held by the subcommittee have demonstrated that the national interest requires that the Federal Government join with State and local governments in solving this pressing problem. Adequate education for our children is essential to the preservation of a free and strong Nation. Their education must not be impaired by the serious classroom shortages which exist in every State.

In fact, the problem created by our school facilities shortage is so great and pressing that it is recognized as a crisis not only by education associations, educators, and others charged with administrative responsibilities in connection with our public schools, but by parents of school-age children and casual observers throughout the country. The shortage is growing steadily and rapidly, and it is and will continue to be one of our most urgent national problems.

The problem was so acute more than 2 years ago that General Eisenhower, then a candidate for President, recognizing the urgency of the problem and the need for Federal assistance in school facility construction, said in his speech in Los Angeles on October 2, 1952:

Another part of the task ahead concerns the conservation of our greatest asset: Our Nation's children. Part of this responsibility belongs to our schools.

American education is a living testimonial to the devotion, the intelligence, the deep concern, and sacrificial service for America's future on the part of tens of thousands of school teachers and school officials. Also

laymen and women in thousands of communities have served and are serving the cause of education.

But here, again, we must honestly face the fact that in too many places we are not adequately meeting the school needs of America's children. More than 10 percent of all our public school classrooms are now seriously overcrowded. By 1958 it is estimated that our school system will have a shortage of 600,000 classrooms. This year 1,700,000 American boys and girls were without any school facilities.

The American answer is to do—in this field—what we have been doing for a long time in other fields.

We have helped the States build highways and local farm-to-market roads. We have provided Federal funds to help the States build hospitals and mental institutions.

Then, as President, General Eisenhower, in his state of the Union message to the Congress on January 7, 1954, stated:

Youth—our greatest resource—is being seriously neglected in a vital respect. The Nation as a whole is not preparing teachers or building schools fast enough to keep up with the increase in our population. The preparation of teachers as, indeed, the control and direction of public education policy, is a State and local responsibility. However, the Federal Government should stand ready to assist States which demonstrably cannot provide sufficient school buildings.

And again in his recent state of the Union message delivered to the joint session of the Congress on January 6, 1955, the President reiterated his recognition of the urgency of the problem in these words:

It is the right of every American, from childhood on, to have access to knowledge. In our form of society this right of the individual takes on a special meaning, for the education of all our citizens is therefore imperative to the maintenance and invigoration of America's free institutions.

Today we face grave educational problems. Up-to-date analyses of these problems and their solutions are being carried forward through the individual State conferences, and the White House conferences to be completed this year.

However, such factors as population growth, additional responsibilities of schools, and increased and longer school attendance have produced an unprecedented classroom shortage. This shortage is of immediate concern to all our people. Affirmative action must be taken now.

Without impairing in any way the responsibilities of our States, our localities, communities, or families, the Federal Government should serve as an effective agent in dealing with this problem. I shall forward a special message to the Congress on February 15, presenting a program dealing with this shortage.

All of us who are deeply concerned about this problem anxiously await the President's recommendations as may be contained in his special message to the Congress on February 15.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 686) to provide for Federal financial assistance to the States in the construction of public elementary and secondary school facilities, and for other purposes, introduced by Mr. McCLELLAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

REOPENING OF BIDS AND NEGOTIATIONS ON SYNTHETIC RUBBER PLANT, BAYTOWN, TEX.

Mr. DANIEL. Mr. President, on behalf of myself, and my colleague, the senior Senator from Texas [Mr. JOHNSON], I introduce for appropriate reference a bill to reopen bidding and negotiations on the synthetic rubber plant in Baytown, Tex. An identical bill has been introduced in the House today by Representative ALBERT THOMAS. I ask unanimous consent that following the printing of the bill a statement prepared by me may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 691) to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of Plancor No. 877 at Baytown, Tex., was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statement presented by Mr. DANIEL is as follows:

STATEMENT BY SENATOR DANIEL

By an unfortunate combination of circumstances the Baytown synthetic rubber plant, which has been operated since the beginning of the synthetic rubber industry in America by the General Tire & Rubber Co., did not receive a suitable bid during the negotiations of the Rubber Disposal Commission. In the opinion of all the experts, both technical and economic, the Baytown plant is an excellent facility, can compete readily in a private synthetic rubber industry, and in the national interest should be included in the recommendations for the disposition of Government synthetic rubber plants.

This bill would provide authority for the Rubber Disposal Commission to reopen bidding for a period of 30 days and negotiations for an additional 30-day period on this rubber plant.

In order to avoid any delay in the congressional consideration of the overall disposal program, expeditious action is necessary in the consideration of this bill. I urge in behalf of myself and my colleague that the appropriate committee and the Senate take early action on this bill.

EXTENSION OF EDUCATIONAL BENEFITS UNDER VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952—ADDITIONAL COSPONSORS OF BILL

Mr. SMATHERS. Mr. President, I had an agreement with the Senator from Alabama [Mr. HILL] to be a cosponsor with him, the Senator from Oregon [Mr. NEUBERGER], the Senator from New York [Mr. LEHMAN], and the junior Senator from Massachusetts [Mr. KENNEDY], of a bill to extend benefits to GI's now in the service. However, through an inadvertence, the names of the junior Senator from Massachusetts and myself were omitted. I now ask unanimous consent that we be listed from this point on as cosponsors of the bill (S. 306) to provide that persons serving in the Armed Forces on January 31, 1955, may continue to accrue educational benefits under the Veterans' Readjustment Assistance Act of 1952, and for other purposes, and that any future printing of the bill

shall show the names of the junior Senator from Massachusetts and the junior Senator from Florida.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REPORT OF UNITED STATES CIVIL SERVICE COMMISSION AS A SENATE DOCUMENT (S. DOC. NO. 8)

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that a report on the Civil Service Retirement and Disability Fund, transmitted to the Senate by the Chairman of the Civil Service Commission on January 6, 1955, be printed as a Senate document.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER:

Statement by him on January 22, 1955, commemorating the anniversary of the proclamation of Ukrainian independence.

INVITATION TO MEMBERS OF CONGRESS TO ATTEND SPRING SERIES OF ATOMIC TESTS AT THE NEVADA TEST SITE

Mr. ANDERSON. Mr. President, on behalf of the Joint Committee on Atomic Energy, Representative CARL DURHAM and I have today mailed to each Member of Congress a letter inviting them to attend the spring series of atomic tests to be conducted at the Nevada test site.

I sincerely hope that every Member who possibly can will arrange to attend one of these test operations. Atomic weapons are the keystone of our defenses against militant communism, and the better-informed Members of Congress are concerning this vital weapon the better we all will be equipped to deal effectively with the problems of defense and foreign relations which now press so urgently upon us.

The trip will require approximately 5 days. This may seem like a rather long period to be absent from Washington. However, the requirements of public safety, which are a paramount concern of the Atomic Energy Commission, require that weather conditions be ideal for a test before a shot can be fired. I am sure that every Member of Congress will wholeheartedly support this prudent approach on the part of the Atomic Energy Commission. Since one cannot predict ahead of time the precise day on which a test can be fired, the Commission has suggested that the Members plan a 5-day visit. I can assure them that the 5 days will not be wasted. In addition to observing a test shot, the Members will be given a nontechnical briefing concerning the test program

and the method of conducting tests, and will be given an opportunity to observe the results of previous tests. If conditions permit, the Members will also have an opportunity to see firsthand the results of the test which they observe.

The Members will be transported to and from the test site in pressurized-cabin aircraft of the Military Air Transport Command, a service whose record for safe and comfortable flying is second to none in the world. I should like to assure the distinguished lady from Maine [Mrs. SMITH] that adequate facilities will be provided for any Congresswomen who would like to go. Several attended the tests in 1953 and have reported that they found the trip to be exceedingly worthwhile in carrying out their official responsibilities as Members of Congress, and that in addition the trip was a most pleasant and enjoyable one.

In closing I should like to recall the old Chinese proverb: "One look is worth a thousand words." This proverb is particularly apt as regards atomic weapons, for atomic weapons are a force that is so new and so different that they must be seen to be fully comprehended. I therefore again urge every Member of Congress who can possibly do so to take this opportunity personally to observe an atomic test.

Mr. President, I ask unanimous consent that at this point in the RECORD I be permitted to insert the text of the letter which has been sent to the Members of Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON ATOMIC ENERGY,
January 21, 1955.

DEAR FRIEND: The Members of Congress who observed the atomic test series in Nevada in the spring of 1953 found the experience to be so worthwhile that on behalf of the Joint Committee on Atomic Energy and in cooperation with the Atomic Energy Commission we would like to invite you to witness one of the atomic tests in the 1955 series in Nevada.

The AEC has informed me that tests are planned for the weeks of February 20, February 27, and April 3. Transportation will be provided by MATS four-engined, pressurized cabin aircraft. The Members of Congress will be quartered at the Air Force Base at Indian Springs, Nev. Adequate facilities will be available for any Congresswoman desiring to make the trip. Planes are scheduled to depart from the MATS terminal at Washington National Airport Sunday mornings, February 20, 27, and April 3, and fly direct to Indian Springs. Test shots may be fired on any day that weather conditions are satisfactory. The planes will return to Washington the evening following the shot but in no event later than Friday of the same week. The party will have an opportunity to tour the test site and visit a shot area after a test if conditions permit. A non-technical briefing concerning the shot is also planned.

If you are interested, would you kindly fill out the attached form at your early convenience, indicating the particular week when you wish to attend. Because of logistic problems involved in handling a large party at the test site, it will be necessary for Members planning to make a trip to notify the committee office no later than 4 days before scheduled departure. We have asked Ed

Heller of the committee staff to serve as liaison officer for the test series. He will be available to answer any questions you may have concerning the trip.

The safety of citizens living in areas adjacent to the test site is a paramount concern of the AEC in conducting these tests. It is therefore necessary that weather conditions be ideal for the test before a shot can be fired. There is, therefore, the possibility that weather conditions may prevent the firing of any test detonation before the scheduled plane return Friday.

Sincerely yours,

CLINTON P. ANDERSON,
Chairman.

CARL T. DURHAM,
Vice Chairman.

GROUND-BREAKING EXERCISES FOR THE NEW SENATE OFFICE BUILDING

Mr. PURTELL. Mr. President, on behalf of the New Senate Office Building Commission, I am happy to announce that at 11 a. m. on Wednesday, January 26, ground-breaking ceremonies for the New Senate Office Building will be held at the site, First Street between B and C Streets NE. The Senate Office Building Commission extends a cordial invitation to the membership and officers of the Senate to join with us at this ceremony.

I remind Senators that the ceremonies will be held on next Wednesday, January 26, and I hope that all Senators will be able to be there.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. BUSH. Mr. President, on February 21 an international tariff-negotiating conference will convene in Geneva, Switzerland, under the sponsorship of the countries associated in the General Agreement on Tariffs and Trade—GATT. The purpose of this conference will be tariff negotiations looking to Japan's full accession to the general agreement, thus enlarging her trade possibilities with other countries as well as with the United States.

The forthcoming conference, like the President's recommendations for additional authority to negotiate tariff reductions on a gradual, selective and reciprocal basis, involves matters of the highest importance.

Much is at stake for America and for the people of Connecticut. An increase in trade among the nations of the free world will add to the security of the United States. As loyal, patriotic Americans we of Connecticut, of course, want our country to be in a position of maximum strength in the struggle against international communism in which we have been so long engaged.

However, in any tariff negotiations entered by the United States, care must be exercised to observe faithfully the principles of gradualness, selectivity, and reciprocity enunciated by President Eisenhower. As citizens of a highly industrialized State, we of Connecticut want our economy maintained at a high level, with expanding opportunities for employment. Our Connecticut economy, like others in the Nation, could be injured, with serious effects upon employment, if

tariffs were cut on an indiscriminate and injudicious basis.

In a recent letter to Samuel C. Waugh, Assistant Secretary of State for Economic Affairs, I urged that our negotiators at the Geneva conference keep uppermost in their minds what I have called the paycheck peril point.

Mr. President, I ask unanimous consent that a statement I have prepared on these matters be included in the body of the RECORD at the close of my remarks, together with excerpts from an interview by Mr. William A. Garrett, Washington correspondent of the Hartford (Conn.) Times in which I expressed my views on the President's foreign economic policy.

There being no objection, the statement and the excerpts from the interview were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUSH

In a letter to Samuel C. Waugh, Assistant Secretary of State for Economic Affairs, I have strongly called attention to the "paycheck peril point" which should be an ever-present danger signal to our negotiators at the Geneva Conference on tariffs.

Through Mr. Waugh, who is in charge of the trade-agreements program, I have urged the Department of State to keep constantly in mind the serious threat to Connecticut employment which might result from indiscriminate tariff reductions on products produced domestically and in foreign countries where an extremely low-wage level prevails.

A number of Connecticut industries may be vulnerable to unfair competition of foreign industries paying substandard wages. Among examples which come readily to mind are the rubber footwear industry, in the Naugatuck Valley, the hat industry in Danbury, vacuum bottles in Norwich and New Britain, flashlights in Bridgeport and New Haven, the bicycle industry in Torrington, the lace industry and our clock and watch industry.

Connecticut workers in these industries receive wages which are far higher than those paid by their foreign competitors. A startling example of the wage differential is furnished by the rubber footwear industry. Cheap canvas and waterproof footwear, made in Hong Kong by coolies getting starvation wages, already is being offered for sale in this country. I am informed that male packers in Hong Kong rubber footwear plants receive the pitifully small sum of 8 cents an hour, in comparison with the \$2.05 earned by packers in our Naugatuck plants.

In some cases, the lower wage rates paid abroad may be offset by the greater skill and productivity of American workers, and by the superiority of our production methods. It is impossible to believe, however, that such factors can close a gap so great as that between the starvation levels prevailing in Hong Kong and the wage standards which our Connecticut workers earn and deserve.

American industries and the skilled workmen and women who man their machines have nothing to fear from fair competition. But the peoples' representatives in Washington, whether in Congress or the executive branch, must remain on the alert to nip in the bud unfair methods of competing. And some foreign producers are not reluctant to resort to unfair methods. An example was the use of a thin leather insert in rubber-soled footwear to get a leather shoe classification and thus evade the intent of Congress in establishing the duty on such products. This evasion was halted last year by the Bush-Sadlak bill adopted by the 83d Congress.

In carrying on negotiations at Geneva, our representatives will have the guidance of "peril-point" determinations made by the

United States Tariff Commission. I am confident that in so establishing the levels below which tariffs may not be safely reduced, members of the Tariff Commission were keenly aware of the problem created by wage differentials.

In writing to Mr. Waugh, I sought to make certain that this "paycheck peril point" is equally impressed upon the minds of those who will negotiate for the United States.

President Eisenhower's recommendations for authority to negotiate moderate tariff reductions on a gradual, selective, and reciprocal basis are sound, and have my support. But, in implementing the trade-agreements program, extreme care must be taken to avoid undermining the American standard of living. In the negotiations at Geneva, emphasis must be placed on selectivity and reciprocity.

In the whole wide range of products produced by American industry in partnership with labor, there are those on which tariffs may be safely reduced. Others are more vulnerable, and may need the protection they now have. Still others, indeed, may need more. Thus, the need for selectivity is apparent.

In a speech on the Senate floor on February 23, 1954, I urged that our trade agreement negotiators always keep uppermost in mind the wage differential problem. I also referred to a letter I had written to the Secretary of State informing him of the widespread feeling that there has been too little reciprocity in the so-called reciprocal trade-agreements program. Many believe we have received too little from foreign nations in return for the large concessions we have already made.

If both selectivity and reciprocity are insisted upon, as I have reminded the Department of State, trade agreements can be negotiated which will benefit our whole economy and create new opportunities for jobs. If those principles are flouted, serious consequences might result.

EXCERPTS FROM AN INTERVIEW OF SENATOR BUSH BY WILLIAM A. GARRETT, WASHINGTON CORRESPONDENT OF THE HARTFORD (CONN.) TIMES, BROADCAST FRIDAY, JANUARY 21, AND SATURDAY, JANUARY 22, 1955, BY CONNECTICUT RADIO STATION

Mr. GARRETT. Senator, it's probable that tariff legislation will be among the hottest issues of this session. What did you think of the President's recommendations for cutting the tariff?

Senator BUSH. They were just about what I expected, Bill. They followed very closely the recommendations of the Randall Commission, of which I was a member, and whose report I signed. Let me point out to you and to our friends in Connecticut some key words in the President's message on this subject. The President said this:

"I request a 3-year extension of Presidential authority to negotiate tariff reductions with other nations on a gradual, selective, and reciprocal basis."

The key words are gradual, selective, and reciprocal. Those words, as well as other protections in the law, are very important to us in Connecticut.

Mr. GARRETT. You referred to other protections, Senator. Were you thinking of the peril point and escape clause provisions of the tariff act?

Senator BUSH. That's right, Bill, especially the so-called peril point. That provision is crucially important to us in Connecticut at the present time, and has been for some years. Before the President can enter into any trade agreement negotiations the law requires the Commission to fix the peril point below which tariffs cannot be reduced without causing serious injury to a domestic industry. So that's a safeguard against tariff cuts which might have a harmful effect. Of course, the President has recommended

that the peril point must be found before any reductions can be made.

Mr. GARRETT. Then you feel, Senator, that the President's program could be adopted without any harmful effects in Connecticut?

Senator BUSH. Yes, Bill; that's right. I've been close to this tariff situation for the past 2 years and since then. As a United States Senator representing Connecticut, I feel a particular responsibility to the thousands of working men and women in industries which might possibly be affected by tariff cuts.

As you know, we have many of our Connecticut industries which have grown up behind tariff protection. The men and women who work in those industries have their roots in our communities—in Bridgeport, Hartford, New Haven, Norwich, the Naugatuck Valley, and so on.

Very sudden and drastic cuts in the tariff would or could cause distress to those people—unemployment, the loss of jobs—and dislocate the economy of their communities. If anything like that were proposed, I would certainly fight against it. But the President's program doesn't propose that kind of thing at all. It is a very moderate program, carefully thought out and surrounded with safeguards. Far from harming Connecticut, therefore, it will have very beneficial results. In my judgment, it will create increased employment, and more jobs. By increasing the importation of goods that we need here—like copper, fuel oil, raw materials used by our factories—it will make possible increased opportunity for Connecticut exports. And approximately 10 percent of our employment depends on exports.

Mr. GARRETT. We have a stake, too, in the foreign policy aspects of the President's program. Is that a fair statement?

Senator BUSH. Of course, that's right, Bill. Our foreign economic policy—and that includes tariff policy—is an essential part of our program to check the spread of communism. It's a hard-headed, practical way of fighting communism. If we improve our own living standards, and help our allies among the free nations to raise their living standards, we'll be hitting the Communists where it hurts. They depend on poverty and human suffering to provide fertile grounds for their propaganda. If we can improve living standards in the free nations, it will hurt the Communists. There is no doubt about that.

But in helping other nations we mustn't forget this fact: The defense of the free world, now and for many years to come, will depend primarily upon the military strength of the United States. And a strong domestic industrial economy is the backbone of our military strength. In whatever we do we must keep that in mind. Knowing the President's views on this question, I am confident that his foreign economic policy was drafted with that thought constantly in mind.

POLICY STATEMENT ADOPTED BY THE AMERICAN FARM BUREAU FEDERATION

Mr. WILEY. Mr. President, I was pleased to receive from Mr. Gwynn Garnett, director for the American Farm Bureau Federation of its section on international trade development, a series of excerpts from an important policy statement adopted for this great federation by the official voting delegates of the member State organizations at the 36th annual convention.

I believe that the Farm Bureau's position will be welcomed by Members of Congress as an immensely significant statement.

I ask unanimous consent that the text of Mr. Garnett's letter be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., January 20, 1955.
Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We thought you would appreciate receiving the enclosed copy of the policies adopted by the voting delegates of American Farm Bureau Federation for 1955 on international affairs. There was an unusually broad membership participation in the formulation of these policies. They reflect some important changes from earlier Farm Bureau policies and from existing policies of the Government.

Some of the policies applicable to the work of the Foreign Relations Committee are extracted below:

Foreign investment: "The United States Government should make clear that primary reliance must be placed on private investment to assist economic development abroad. It should be made clear that United States resources for public loans are limited and inadequate in relation to total needs, and that public lending is a poor substitute for private investment."

Technical assistance: "We favor the continuation and improvement of the technical-assistance program as an important part of our foreign policy."

Foreign aid: "We believe that economic aid on a grant basis seldom accomplishes its intended purpose, but instead tends to weaken our economy as well as that of the recipient, and often diminishes United States prestige abroad. Except in disasters, we recommend that monetary grants be replaced by loans which assure the opportunity to repay the United States in goods or services. These loans should be made through banking institutions on a sound basis with provisions to repay in goods which complement our economy, or in goods or services which would otherwise require United States dollar appropriations."

Sales for foreign currency: "The Secretary of Agriculture should authorize the sale and export of farm products through private trade channels, under limitations determined by him, in exchange for foreign currencies. These foreign currencies should not be used to supplement foreign-aid programs in ways not authorized by Congress. The use of currencies should emphasize the building of continuous foreign markets on a sound basis."

"We believe that a substantial part of the frozen assets of CCC can be converted into working assets needed to increase the ability of foreign countries to earn foreign exchange. We recommend that the authority to sell surpluses for foreign currency be expanded, so long as the currencies can be used for constructive purposes."

Stockpiling strategic materials: "High United States standards of living and military security both require increasing quantities of basic materials such as manganese and chromium. The United States is increasingly dependent on imports for these critical supplies. Many of the underdeveloped countries have vast reserves of these materials."

"The United States should enter into long-term agreements to purchase basic materials to greatly expand our national security reserves. These security stockpiles should be isolated from normal domestic requirements and used only in case of a national emergency."

"Such a program would not only contribute to the economic and political stability and purchasing power of friendly countries, but it would also further the security and economic welfare of the United States and contribute to expanding trade."

Foreign military aid: "Foreign military aid should assist our allies to build up their own defense resources rather than to supply military goods produced in the United States. The dispersion of the vast expenditures for defense among cooperating nations will not only provide purchasing power in the hands of other nations but will also avoid undue concentration of defense production in the United States, which tends to unbalance our own economy and encourages allies to let us carry an increasing burden for the common defense."

United Nations: "The United Nations is a force for world peace. Though it has failed to solve some problems, it has succeeded in solving others. Where there is discussion, there is hope."

"We favor continued financial support of the United Nations and its specialized agencies. However, we insist that these funds be allocated to the specialized agencies in a manner similar to that now being used and that the funds and program be administered on a decentralized basis. We oppose centralizing the use and administration of funds for specialized agencies in the United Nations. We believe that the charter of the United Nations should be reviewed."

We think that these policies are particularly applicable to the proposed program for the economic development of South and Southeast Asia. We shall be glad to discuss these policies with you in detail at your convenience.

Respectfully yours,

GWYNN GARNETT,
Director, International Trade
Development.

THE SHORTAGE OF CLASSROOMS

Mr. WILEY. Mr. President, along with my colleagues, I was pleased to hear today from Mrs. Newton P. Leonard, president of the National Congress of Parents and Teachers, writing on the urgent subject of a Federal program to meet the pressing problem of the deplorable shortage of classrooms in our Nation.

It is obvious that strong steps must be taken in order to enable the States to be adequate to the educational needs of the youngsters who are, after all, the future citizens of America.

I ask unanimous consent that the text of Mrs. Leonard's letter be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CONGRESS OF
PARENTS AND TEACHERS,
January 21, 1955.

To: Members of the 84th Congress.

From: Mrs. Newton P. Leonard, president,
National Congress of Parents and Teachers.

The National Congress of Parents and Teachers, with its nearly 9 million memberships in 39,000 PTA's, takes great hope from the state of the Union message recently delivered to Congress by the President of the United States. His reference to the "grave educational problems" and his declaration that "such factors as population growth, additional responsibilities of schools, and increased and longer school attendance have produced an unprecedented classroom shortage" show that he is cognizant of the needs that are demanding attention. We agree most emphatically with his statement, "This shortage is of immediate concern to all of our people. Affirmative action must be taken now."

The members of the National Congress of Parents and Teachers have been convinced—their convictions based on many

surveys made in various parts of the country—that the classroom shortage is critical in nature and national in scope. We have, as an organization, testified before the subcommittees of both the Senate and the House, urging the Congress to pass an emergency construction bill.

During these early days of the 84th Congress many bills on school construction have been introduced into both houses and referred to their respective committees. The President of the United States has said that he will "forward a special message to the Congress on February 15, presenting a program dealing with this shortage." From the bills that have been introduced and the message from the President, we have hope of positive action. The members of the two committees, all of whom have evidenced great statesmanship in expressing themselves as sympathetic to emergency aid to school construction, will, we trust, quickly select the best from all suggestions and present such legislation as can readily be passed by the 84th Congress and signed by the President. The situation has gone far beyond meager measures. We need a realistic program that can, and will, aid the critical situation facing the country as a whole.

The needs of children cannot wait. Children cannot be placed in a storehouse with the caption, "Do Not Grow Until We Have Classrooms Ready For You. Then We'll Give a Signal To Grow." No. Growth is daily, and children are this country's most precious resource. We must not fail them now. We, the parents and teachers of the land, and you, the legislators whom we helped to elect, must join forces and together act immediately for these our children.

We have confidence in you. We trust your integrity and your leadership. We also assure you that you can trust us to do our share to speed this necessary legislation. The PTA membership of this country is alerted to the need. The membership will act.

VACANCY IN UNITED STATES DISTRICT COURT FOR THE STATE OF OREGON

Mr. NEUBERGER. Mr. President, for nearly 9 months there has been a vacancy in the United States District Court for the State of Oregon. This situation has imposed a severe strain on the judicial process in my State. Both my senior colleague [Mr. MORSE] and I have tried to cooperate to the fullest extent to see that the vacancy is filled. We have given clearance and would not interpose any objection to the names mentioned by various Republican Party groups in the State. Accordingly, I have sent to the Attorney General today a letter suggesting the appointment of Hon. Edward C. Kelly, of Medford, Oreg., for the position, and I ask unanimous consent that the letter may be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 24, 1955.

The Honorable the ATTORNEY GENERAL,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: For nearly 9 months a seat on the United States District Court for the State of Oregon has been vacant. In order to maintain a reasonable pace with the caseload, the assignment of visiting judges to this court has been necessary. Furthermore, the strain of the additional work on the other judges has endangered their health.

Both Senator MORSE, my senior colleague, and I have tried to cooperate to the fullest

in order to encourage an early filling of the vacancy. We both have stated publicly our intention not to invoke the objection of "personally obnoxious" against the candidates mentioned by various Republican Party groups in the State. In my own case, I even have declared that I would not voice this objection against ex-Senator Cordon, were he to be named to the seat, in spite of the recent bitter campaign between him and me in Oregon.

Yet, the court vacancy still has not been filled, to the detriment of orderly judicial proceedings in our State.

While I have assumed this was an appointment to be made on the basis of Republican Party recommendations, I think the time has come for Democrats to make a definite recommendation if the Republicans are unable to do so.

Accordingly, I should like to propose to you for the seat on the district court in Oregon the name of Hon. Edward C. Kelly, of Medford, Oreg. Mr. Kelly is an outstanding member of the bar, a descendant of a distinguished pioneer Oregon family, a war veteran, a father of three law students, and a man of great integrity, ability, and capacity for public service. I feel sure that any investigation of Mr. Kelly's qualifications made by your office would confirm these facts.

I trust you will give this recommendation serious and careful consideration.

Respectfully yours,

RICHARD L. NEUBERGER,
United States Senator.

STATEHOOD FOR ALASKA AND HAWAII

Mr. MURRAY. Mr. President, a measure to enable the strategic American Territories of Alaska and Hawaii to become States of the United States is under active consideration by the Senate Committee on Interior and Insular Affairs. The Members of the Senate will recall that during the 83d Congress we were unable to obtain any reports on the Alaska measure from the appropriate executive agencies, although two Republican chairmen of the committee, the late Senator Hugh Butler of Nebraska and the Senator from Oregon, the Honorable Guy Cordon, both sought such reports.

At its initial meeting in the 84th Congress, the committee, by unanimous action, authorized me, as its chairman, once again to seek the views of the appropriate agencies of the executive branch of the Government on statehood for Alaska. Accordingly, on behalf of the committee I have directed specific inquiry to the Secretary of Defense, requesting a clear statement as to what effect, if any, admission of Alaska and Hawaii would have upon our national security. Because the matter is one of grave importance to all of us, I ask that my letter to Secretary Wilson be printed in the body of the RECORD at this point. When a reply is received from the Defense Department, I shall request that it appear in the body of the RECORD also, so that all Members of Congress may be fully informed on the matter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 21, 1955.

Hon. CHARLES E. WILSON,
Secretary, Department of Defense,
Washington, D. C.

DEAR SECRETARY WILSON: The Senate Committee on Interior and Insular Affairs, at

its initial meeting of the 84th Congress on January 20, 1955, instructed me, as chairman, to submit to the Department of Defense the bill S. 49, enabling Alaska and Hawaii to become States of the United States, and urgently to request the Department's views and comments on the proposed legislation.

The committee is especially desirous of obtaining from the Defense Department a clear statement of the effect, if any, the admission of these two strategic American Territories as States would have upon our national security. If the Department is of the opinion that their admission would not be in the best interests of national security, the Senators on the committee are strongly of the opinion that they and the American people, and especially our loyal and brave citizens in those Territories, are entitled to a full and frank statement of the facts and the reasoning upon which such a conclusion is based.

In this connection, your attention is respectfully called to President Eisenhower's unequivocal support of immediate statehood for Hawaii and his endorsement of the principle of statehood for Alaska in his state of the Union message on January 6 of this year. Reference also is made to the several previous reports of the Department of Defense unequivocally supporting statehood as furthering our national security.

S. 49, 84th Congress, is identical in all major respects to the statehood measures that were thoroughly debated in the Senate last year and which passed the Senate by a very substantial majority. The bills which passed the Senate last year, S. 49 and S. 50, 83d Congress, as a combined measure, were both submitted to the Department of Defense well over a year before their passage in the Senate, but no report was received on the Alaska measure.

In view of the fact that the Department is thoroughly familiar with both the policy question, which has been before the American people for many, many years, and the detailed provisions of the proposed legislation, the committee further directed me to request a prompt reply to this request.

Sincerely yours,

JAMES E. MURRAY,
Chairman.

Mr. MURRAY. Mr. President, I should state that I have sent a similar letter to the Secretary of State requesting his views as to what effect, if any, the admission of Alaska and Hawaii as States would have upon our foreign relations, and also whether the asserted boundaries for the proposed States were consistent with our recognized sovereignty in international law.

I have directed still another inquiry to the Secretary of the Interior, requesting his views on the administrative feasibility of the provisions of S. 49.

It is greatly in the interests of the people of the United States as well as the loyal and brave American citizens of those two American Territories that these questions be answered fully and frankly.

In connection with the question of statehood for Alaska, I ask to have printed in the body of the RECORD a letter I have received from the Cordova Chamber of Commerce, of Cordova, Alaska. This letter supports statehood, but outlines some of the problems the Territory is facing.

I firmly believe, Mr. President, that if S. 49, the statehood measure now before the Committee on Interior and Insular Affairs, were to become law the people of Alaska themselves could take action

that would go a long way toward solving the problems outlined in the letter of the Cordova Chamber of Commerce. I know that many Members of the Senate concur in my conviction in this respect.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CORDOVA CHAMBER OF COMMERCE,
Cordova, Alaska, January 13, 1955.
Hon. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: I wish to congratulate you for your stand on statehood for Alaska. We of Alaska realize, if given a chance, we can and will show the doubting Members that we can succeed as a state, and will become one to be proud of. Our natural resources, if exploited, will soon class us as one of the richest States in the Union. Our tax revenues alone will become a great factor in the support of our country, making the good old United States of America that much stronger.

We realize we are, in the minds of many residents of the United States, a long way from home. However, it is only 6 hours by air from our largest city, Anchorage, to Seattle. A few years ago that same trip took 6 full days by passenger boat, but time has changed all that. Last February I left home—Cordova, Alaska—on a Friday morning at 9 o'clock and enjoyed lunch in Washington, D. C. The next day—less time than it used to take to travel by train from one end of California to the other.

We in Alaska are rich in many ways, very poor in others. Our greatest need is highways. Roads bring settlers and make it possible to market our products close to home. Today many communities must depend on steamer or air freight—steamer freight at 90 cents a cubic foot (and already 10 days old when it arrives in Cordova), or 20 cents a pound by air freight. Can you imagine a head of lettuce, costing 20 cents in Seattle, being enjoyed by us with the additional 10 to 20 cents for freight? With roads connecting us to the farming areas of Alaska, we could enjoy the same head of lettuce for very little more than the Seattle price.

Fish processed and canned in Alaska journeys to Seattle and back again via steamer, drastically increasing the cost, while by truck our small packers could market their product directly to interior Alaska, quickly and cheaply.

Yet with these conditions prevalent and our population growing by leaps and bounds, Congress has seen fit to cut our road appropriations over 100 percent from the 1952-53 total. We ask—Why? For example, the 1952-53 road appropriation was to start a \$12 million highway program—the Copper River Highway from Cordova to Chitna—to be constructed in 4 years. We were assigned \$650,000 with which to begin construction. During the 1954-55 session, one Member pointed out that by taking advantage of already existing, abandoned steel railroad bridges Congress could, by granting \$2,400,000, reconstruct miles of these before they collapsed, thereby saving millions of dollars on this roadbuilding program.

I would like to stop for a moment and thank the Senate of that year for raising the House appropriation from \$12 million to \$14,850,000, making it possible for the above conferee committeeman to earmark this \$2,400,000 for the Copper River Highway. That same man assigned \$700,000 more in the 1954-55 session to complete the crossing of the Copper River Delta, out of the total \$9 million road appropriation for that year.

We understand that this year only \$8 million is being asked for highways in Alaska, none of which is earmarked for the Copper River Highway. Does not the expenditure of \$4 million on this highway justify further

funds this year to keep the road under construction? It is true that it will take this year to finish this section, but with no additional funds, we will lose next year's construction season. We must have allocated funds ahead.

I understand that it is not too late to influence the Budget Committee to vote additional funds for this project. The question of our gas tax has been raised in the committee, leaving them reluctant to give us added road moneys. The old adage, "Help yourselves, and we will help you," seems to be the prevailing attitude. However, we have been assured by our own legislators that our gas tax will be doubled—from 2 cents to 4 cents—this February. Go along with us? Use your influence to persuade the Bureau of the Budget to allot \$15 million instead of only \$8 million. If our legislature does not come across with the promised tax increase, you will still be able to cut the appropriation. Allot \$5 million, at least, for the Copper River Highway project. We will then be able to construct the road from both ends. Next year's appropriation could finish the job.

Help us to help Alaska become the State all America can be proud of. The Copper River Highway will traverse the richest mineral area and the most scenic section of all Alaska, bar none. The old railroad bed of the Copper River Northwestern Railway, which we are converting to a highway, poured \$257 million worth of mineral wealth through Cordova during its 25 years of operation. Today's value would be treble that amount.

The railroad was built in 1910, 1911, and 1912 at an expense of over \$20 million. It would cost, conservatively, \$60 million today, yet a highway taking advantage of the many steel bridges and the roadbed will cost not over \$15 million. Is this not conservation? Has it not earned its way already by the returns of this wealth already poured indirectly into the coffers of Uncle Sam?

We are confident of your support in this worthy cause. Please let me hear from you soon.

Respectfully yours,

JOHN LEFEVRE,
Chairman, Road Committee,
Cordova Chamber of Commerce.

ECONOMIC CONDITION OF THE UNITED STATES

Mr. WATKINS. Mr. President, preparatory to holding hearings on President Eisenhower's Economic Report by the Joint Committee on the Economic Report, I believe it well to review the accomplishments of 1954. Indeed, as the President indicated in his State of the Union message of last Thursday:

The past year—1954—was one of the most prosperous years in our history. Business activity now surges with new strength. Production is rising. Employment is high. Personal income after taxes is at a record level. So is consumer spending.

The year 1954 was far different from the year of gloom and doom which some politicians tried to characterize it last October and November.

Based upon the excellent record of the economy in 1954, which saw a decrease in Federal spending of nearly \$6 billion, the predictions are for greater economic progress in 1955. The outlook for this year is well summarized in an article entitled "Business Roundup," which appeared in Fortune magazine for January 1955. I ask unanimous consent that it be printed at the end of my remarks.

The PRESIDING OFFICER (Mr. DANIEL in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. WATKINS. Mr. President, that the economy is as prosperous as it is today, is a real tribute to the efforts of the Republican 83d Congress to strengthen the free enterprise system. This it did by passing legislation with four general purposes in mind: First, getting the Federal Government out of business; second, encouraging private enterprise to expand its production facilities; third, ending regulatory controls and other interferences with private business operations; and fourth, cutting Government spending.

In a few words, this action of the Republican 83d Congress has again permitted the profit motive of our free enterprise system to perform its vital functions. It is the anticipation of profits that provides the incentive to the undertaking of investment in an economy which is characterized by risk. Profits and losses are motivating forces which bring about readjustments in the allocation of resources—of land, labor, and capital to different industries.

It is this private profit system which has given to us Americans the highest levels of living in the world. It is the same motive factor which has enabled the economy to make the basic readjustments it did in 1953 and 1954 and which makes the prospect for continued economic progress so bright in 1955.

Because the profit motive has been subject to abuse from many sources, I ask unanimous consent, Mr. President, to have an editorial entitled *Profits and Progress*, written by Mr. Herschel D. Newsom, grand master of the National Grange, and appearing in the *National Grange Monthly* for November, 1954, printed at this point in the *RECORD*.

There being no objection, the editorial was ordered to be printed in the *RECORD*, as follows:

PROFITS AND PROGRESS

(By Herschel D. Newsom, master, National Grange)

Let there be no doubt about it, the Grange believes in the American system of capitalism. Farmers are capitalists, and proud of it. They believe in the free enterprise system. This organization has long felt that the profit motive is a primary stimulus for incentive and progress. A tax system, or any set of governmental regulations or institutions, that destroys the possibility of making reasonable profits is deadly. It is the beginning of the end of our enviable level of living.

This editorial is prompted by current vicious attacks, both direct and implied, against profits. Numerous individuals and groups of individuals are conducting an insidious campaign of misrepresentation aimed at undermining confidence in American business and the profit it must make to continue. These attacks imply that profits are sinful and against public interest—something of which we should be ashamed. Is it a coincidence that these attacks follow the Moscow line which, to my way of thinking, is a clever, intriguing avenue of sabotage?

How can a farmer, or any other businessman, expand and provide additional goods, jobs, and services without reasonable profits?

PROFITS—LIFEBLOOD OF BUSINESS

Progress without profits is impossible. Private research is financed out of profits. Capital built out of profits has financed the development of new inventions that have added to our standard of living. Farms cannot be mechanized and improved except through reinvestment of profits. New and expanding factories, to give more employment, are the result of profits converted into capital. Without profits, capital would quickly die of starvation.

Many of us are sick and tired of seeing these insidious, slurring, uninformed barages of antiprofit and antibusiness propaganda that are born of ignorance, selfishness, malicious intent, or as a result of a conscious or unconscious following of the Kremlin doctrine.

So there shall be no misunderstanding, we are referring to reasonable profits; as in so many things, there is involved here an element of degree. We speak for moderation. We oppose excesses in anything.

Let there be no doubt about it, furthermore, that the Grange believes in regulation of business and profits where adequate competition for one reason or another does not adequately fulfill its purpose. This regulation must be carefully developed in order to safeguard against destruction of the values that the profit motive carries with it. So far, we have done a pretty good job of recognizing the delicacy of this process. That is why it is nauseating to see group after group seek legislative and other mechanisms to eliminate or materially reduce competition in their particular field. True, we need a few devices to prevent the dog-eat-dog type of competition that enables the "big" to swallow the "small." This, however, does not embrace a planned economy.

Many groups, either consciously or unconsciously, reason that competition is fine and desirable for everyone else, but not for them. They want competition to guarantee for them supplies of quality products at fair prices, and with satisfactory service. Yet they can find a thousand reasons for monopolistic devices for themselves.

The Grange, meanwhile, was largely responsible for the first antimonopoly laws. It fights against exorbitant profits, but it does not countenance attacks on the profit system itself. Nor does the Grange sanction the practice of taking a hasty look at some company's balance sheet and then carelessly quote or misquote—or yell "profiteering"—until that balance sheet is understood in terms of percentages or relativity of profits to volume, risks, investment, and so forth.

The ingredients for America's phenomenal success, in terms of progress and the good life, begin with a combination of our structure of government, plus the opportunity for business, industry, and the professions, including agriculture, to develop along lines prompted by the profit motive. Richness of a wide array of natural resources, an ingenious, energetic people with the proper attitude toward work, and the general lack of internal trade barriers have played an important part in this process. Without the profit motive the spark plug would be missing.

WARNING—POISON

Consequently, if any large bloc of our people swallow or take seriously the avalanche of poisonous, antiprofit charges now running rampant in the propaganda of several groups, I fear for the future. Ours is a system of enlightened self-interest. Some call it a peculiarly successful, slightly, but intelligently regulated free enterprise system. Whatever you call it, it has been phenomenally successful and it is dependent upon profits and the profit motive. This motive must continue to live as a desirable force in the minds and in the future of all Americans; otherwise our bountiful level of living will fall into jeopardy and the visions,

aspirations, and toll of our forefathers and our present generation will have been short lived.

EXHIBIT 1

BUSINESS ROUNDUP—A MONTHLY REPORT ON THE ECONOMIC OUTLOOK

BEST YEAR EVER

The year 1955 will be the best in United States business history. (Barring war.) By the end of 1954 the business upturn had burgeoned into a full-fledged recovery. Roundup's forecast now is that business will continue to improve at least through the second quarter of 1956. The Nation's output of goods and services should rise another \$24 billion by mid-1956—i. e., the annual rate of gross national production should increase from \$360 billion in the fourth quarter of last year to \$384 billion in mid-1956 (in 1953 dollars), or a trifle more than 1 percent per quarter. About \$15 billion of the projected \$24 billion rise in the annual rate of gross national production should take place in the next 12 months. Although the upswing will be slower than in 1949-51, and slower, too, than the upsurge during the past 3 months, it will suffice to make 1955 the best business year ever.

Total output in 1955 will be 4 percent higher than in 1954 and 1 percent higher than in the previous peak year, 1953. Industrial production should also be up 4 percent from 1954, but that will still leave it 3 percent below 1953, and postpone a new record for industrial production until 1956. The chief reason for the difference between the prospects for gross national production and industrial production: the steady growth in spending for services—housing, utilities, education, medical care, retail distribution, etc.

In coming months and quarters business activity may run slightly ahead of or behind Roundup's projections. Last year, for example, production at first dipped a bit faster, and recently has turned up more sharply than Roundup forecast a year ago. Yet for 1954, as a whole, industrial output was off 7 percent from 1953, as compared with the 6-percent decline forecast by Roundup in January 1954, and gross national production was down precisely the 3 percent predicted. A good many economists thought Roundup was overoptimistic when it suggested, last April, that the recession had reached bottom, and again, last July, when it predicted a \$10 billion upturn in gross national production between mid-1954 and mid-1955. Roundup was right in April, not quite optimistic enough in July.

Right now, the business upturn is running ahead of schedule, and it has been doing so since last September. At that time the FRB index of industrial production was still perched at the 124 level where it had been almost all year. But in October it rose to 126, in November to 129, and in December it probably reached 130. This rapid climb has outstripped even the "sharp rise" (to 127-128 at year-end) that Roundup forecast 2 months ago. If the FRB index continued to rise at this rate of 2 points a month, output would soon reach a new peak of 145. Such a boom, however, might well be followed by a 1956 "bust."

But the production rise will slow down, and the FRB index, instead of climbing 2 points a month, may rise only 2 points in the next 6 months. Most of the impetus for the pickup in production in the fourth quarter of 1954 came from the shift in business inventory policy—stocks that were being cut at a rate of \$5 billion a year in the third quarter of 1954 are about back to a normal replacement basis today. Production gains as sharp as those of the past 3 months are not likely to be sustained by the more gradual growth of consumption—or by a continuing acceleration of inventory accumulation. More than half the recent rise in

output was caused by a doubling of new-car assemblies (up from less than 300,000 units in September to more than 600,000 in December), and a 33 percent jump in steel operations (which rose from 60 percent to over 80 percent of capacity). Auto manufacturers are already building up dealer stocks by more than 100,000 cars a month, however, and assembly rates therefore should level out soon and decline by midyear. Steel output, too, is already running 5 percent above the probable 1955 demand level and may drop this summer before expanding again in the autumn.

With the FRB index at 130, industrial production is now close to the level Roundup projected for mid-1955. So production may stabilize from now through midyear. If it does, what will produce the renewed upswing later in the year and into 1956? The answer is that there will be steady, all-over growth in the economy, strongly encouraged by three governmental programs—for more roads, bigger exports, and lower taxes.

These programs should start exerting a major influence on the economy in 1956, and should add about \$4 billion, and perhaps twice that much, to effective economic demand. That amount by itself will lift gross national production only 1 or 2 percent, but the corollary economic activity it generates will reinforce all the growth trends in consumer expenditures, capital outlays, inventories, etc.

As always, of course, there are a few potential weak spots in the economic outlook. If residential construction, for example, should hammer along at the November rate of 1,400,000 starts annually, it may prove difficult to prevent a homebuilding letdown in 1956. Car sales, too, may sag toward the end of 1955, particularly if Detroit pushes the sale of new models aggressively this spring and fails to come up with substantially different 1956 models next autumn. And there is always the chance that business may go on a buying spree—as the buildup in stocks of cars and steel suggests—and overload itself with inventories this year. None of these possibilities is very likely, however, and even if one of them materialized that would not upset the basic uptrend of the economy. The only serious danger, a combination of all three of these boom-and-bust situations, is virtually out of the question. Undoubtedly Washington would bring credit and fiscal weapons into counterplay if they seemed to be developing simultaneously. Nevertheless there is some possibility of a renewal of mild inflationary pressures in 12 months or so.

The course of the business upswing in coming months may not be altogether smooth; much depends on business inventory policies and Federal fiscal policies. Yet as Fortune declared 2 years ago (see *Business After the Defense Boom*, December 1952) there is "no weakness in the economy of 1955 that cannot be forfended by wisdom and co-operation on the part of government and confidence and resolution on the part of business." This is still true today, even though 1954, not 1955, has proved to be what Fortune 2 years ago was calling "195X"—the year defense spending would level off at around \$40 billion. (In constant dollars (1953) the gross national production rate of \$360 billion in the fourth quarter of 1954 was remarkably close to the \$355-billion level Fortune projected for 195X.)

Defense: Outlays for defense declined by \$8 billion during 1954 instead of the \$5 billion anticipated. Spending has dropped from an annual rate of \$52 billion in mid-1953 to \$40 billion, and Secretary of Defense Wilson recently declared that approximately the present volume of expenditures must be maintained for the duration of the cold war. At best, the prospect is for a very slight dip in outlays—perhaps to a \$38-billion spending rate by mid-1956. Several contemplated increases in defense costs—i. e., rais-

ing servicemen's pay, the new reserve training program, more air defense—may well absorb all the savings realized from trimming personnel, foreign military aid, etc. Any worldwide reduction of armaments, leading to a substantial cut in United States defense outlays, hardly seems probable within the next 2 years.

The budget: There will be a deficit of some \$3 billion in the cash budget this fiscal year (about a \$6-billion deficit in the administrative budget) as compared with the \$4-billion cash deficit roundup forecast a year ago. In fiscal 1956, however, the cash budget will be in approximate balance if Congress defers the tax cuts scheduled for April 1, as President Eisenhower has recommended. And a surplus of \$5 billion or more could be realized in fiscal 1957. The chief reason: business activity will be rising steadily, and each \$4-billion rise in gross national production produces nearly \$1 billion of additional tax revenues. But with presidential elections coming up, taxes will probably be cut again in 1956 in preference to running a cash surplus in 1957. On the spending side, some net reduction in farm support outlays and a slight cut in defense should trim total Federal cash expenditures very slightly in fiscal 1956 and again in fiscal 1957, to around \$65 billion. Meanwhile, State and local spending will continue to increase \$2 billion a year—for schools, hospitals, and other services and public works. On balance, therefore, Government spending at all levels should rise from \$99 billion in fiscal 1955 to over \$100 billion in fiscal 1957.

Capital outlays: Business spending for plant and equipment has stopped declining. The total outback in 1954, in fact, was milder than expected (at \$36.3 billion, spending was off only 4 percent from 1953 instead of 6 percent). This year capital outlays will total about the same as last year, according to Fortune's surveys of business plans. The rate of spending (now below the 1954 average) will begin to turn up early in 1955 and by mid-1956 may be rising as much as \$2 billion annually.

Inventories: Business cut its stocks by \$4 billion during 1954, a decline of 5 percent, while end purchases of goods dipped only half that much. Thus most of the excess stocks built up during 1953 were disposed of last year. Business has already slowed its inventory trimming markedly, and as gross national product and final sales rise by 4 or 5 percent a year, inventory building should increase gradually to an annual rate of \$3 billion by the end of 1955, and to \$4 billion or so in the spring of 1956.

Business, of course, may rebuild its stocks even faster than that, just as it cut them unexpectedly quickly in 1954. Steel consumers and new-car dealers are already replenishing their depleted stocks rapidly. But while the output of steel and cars may slow down a bit soon, production for inventory may accelerate in other lines—textiles, building materials, etc. If business in general rebuilds its stocks too rapidly in 1955—by \$5 billion or more—the economy might well develop another case of inventory indigestion in 1956. However, business is becoming increasingly orderly in its long-term inventory policies, and total amount of inventory accumulation in 1955 will probably run between \$2 billion and, at most, \$4 billion.

Construction: The building boom provided the strongest antidote to the 1953-54 recession, and construction activity should contribute substantially to the 1955-56 economic expansion. Home building began picking up last fall from the 1 million unit rate to which it declined as a result of the 1953 hard-money pinch. Mortgage funds became plentiful during 1954, of course, and credit terms for VA and FHA mortgages were progressively liberalized. Consequently, as the builders themselves forecast last spring (April Roundup), housing starts rose to

1,200,000 last year. The seasonally adjusted home-building rate reached 1,250,000 in October and in November soared to 1,400,000, reflecting excellent building weather for an off-season month. But this rate can hardly be maintained, much less increased further. For such a rate would imply too fast a tapping of the replacement market for housing. (See the *Insatiable Market for Housing*, February 1954.) Moreover, there may not be enough mortgage money readily available at current terms and interest rates for that much building. (See *Credit below*.) Consequently, home building cannot be expected to rise much above 1,300,000 in 1955. Nevertheless the dollar volume of building will probably rise slightly this year since builders are putting up larger houses and homeowners are spending heavily for expansion and modernization.

Public-works construction increased by nearly \$1 billion in 1954—to \$8.5 billion—and the spending rate will probably rise another \$1 billion this year, and by an additional \$2 billion each in 1956 and 1957. One reason: With the Eisenhower administration's full backing a committee headed by General Clay has projected a \$25-billion, 10-year addition to the previously planned volume of interstate highway construction. The Clay proposals will be presented to the new Congress for enabling legislation. Meanwhile, spending for construction of schools, hospitals, and other public works may also be speeded up by Federal and State Government action in 1955.

Prices and wages: In 1955, for the third year running, prices and wages will change only slightly. Last year both industrial prices and living costs fluctuated within a range of less than one-half of 1 percent. Farm prices eased 2 percent, while wages rose about 2 percent. But the wage rise was more than matched by the recovery of man-hour productivity from a slump in late 1953.

Productivity this year will rise at least enough to offset the pay increases of 5 cents an hour—3.3 percent—that will probably be granted. Thus the easing pressure of costs on industrial prices will offset the upward pressure of strong demand. Farm prices will not change much this year if the weather is normal. On balance, the cost of living will again be remarkably stable.

A mild uptrend in prices may develop by the spring of 1956. That possibility, however, is contingent on a number of factors that cannot be forecast with precision—e. g., how wage increases compare with the rise in productivity, how the dip in farm output matches up against the rise in farm exports, how closely the economy approaches full employment, etc. Although it is unlikely, a combination of factors sufficient to produce a slight price rise could even take shape toward the end of 1955.

Income and savings: Last year both personal incomes and savings held within \$500 million of the peak 1953 levels. This partly reflects the influence of the economy's various built-in stabilizers, and these stabilizers will also tend to moderate the improvement in consumer spending from now on. A dip in unemployment benefits, for example, will offset part of the rise in payrolls; some of the additional payroll income, moreover, will go into taxes. During the "recession," personal incomes nearly held their own while the gross national production dropped \$14 billion; similarly, incomes will rise less sharply than gross national production in the 1955-56 upswing—\$15 billion against \$24 billion. The savings rate, which rose through 1953, declined during 1954 largely because installment debt repayments (which count as savings) eased last year. Repayments will increase gradually in 1955 and especially in 1956, however. So the savings rate, now slightly below the recent norm of 8 percent of consumer income, should rise a trifle. But the rise in savings will probably not occur until personal taxes are cut again sometime

in 1956. That cut may add as much to consumer disposable income as the \$3 billion contributed by the tax reduction on January 1, 1954, part of which went into saving and part into spending.

Consumer spending: Outlays by consumers increased \$6 billion during the "recession" year 1954 (from an annual rate \$229 billion in the fourth quarter of 1953 to \$235 billion in the last 1954 quarter). They should rise \$8 billion in 1955, and another \$5 billion in the first half of 1956. The rise in spending, moreover, will be well rounded, as suggested by Fortune's analysis of the Changing American Market. Approximately one-third of all consumer dollars will continue to be spent for services—better housing, more household utilities, medical care, car repair, etc. The rise in outlay for food, which slowed in 1954, should resume at a rate of 3 percent a year to meet population growth and satisfy the demand for more and more "built-in" services in food—precooking, prepacking, etc.

Consumer spending for goods last year was off a bit from 1953 in dollars, up a bit in physical volume of goods, buying rose 5 percent from late 1953 to late 1954, and it should rise another 5 percent by mid-1956. Nondurables will account for the bulk of the rise; apparel sales have already recovered from the warm-weather slump a year ago, and should continue to gain. Gas and oil sales are rising rapidly, and sales of most other nondurables (except tobacco) are rising steadily. As for durables, home-goods sales, led by TV, have been on the rise (despite a bad summer for air-conditioner sales). And with so much home building, appliances and furniture producers now look for bigger volume.

In 1954 Detroit sold 5,250,000 cars. That was a half million fewer cars than in 1953, but about as many as industry spokesmen had forecast, and a quarter-million more than Detroit's economists or Roundup predicted. A major reason, of course, was the early introduction of 1955 models with eye-catching innovations. Auto men now foresee still higher sales for 1955—most are predicting about 5,600,000 cars, although some project sales as high as six million. The current rise in incomes would suggest some rise in 1955 car sales; on the other hand, the industry can't look for as much sales gain from an earlier introduction of the new models—last year they were brought out almost as early as they can be. New-car sales, all in all, should about match this year's volume.

Credit: Money was plentiful and cheap in 1954 but will tighten up a little this year. Although 1955 corporate tax payments will be lower, and profits and depreciation reserves higher, the demand for bank loans to business will probably expand, instead of contracting as in 1954, because business will be increasing its inventories again. This demand for credit will probably curtail the commercial banks' ability to supply long-term funds to the capital market, although individual savings should hold up well. Meanwhile the demand for long-term funds will be heavy. Corporations may again finance a large share of their capital outlays internally but the rising trend of home construction and public works will produce a strong demand for mortgage money and necessitate more State and local bond issues.

The credit outlook, of course, depends importantly on action by the Federal Reserve, which pursued a policy of active ease in money in 1954, and now may shift gradually toward a policy of just ease. Right now there is pressure for the Federal Reserve to avoid interfering with the business recovery, but other pressures may mount for the FRB to suppress inflationary tendencies in the stock market, in inventory buying, building activity, etc. However, since the present outlook is for something less than full employment in 1955 and in 1956 (mainly because of rising productivity) the Federal Reserve

is apt to be more restrained in its overall credit control than in 1953.

All in all, interest rates will firm up. The yield on short-term obligations—Treasury bills and commercial paper—has declined more than 1 full percentage point since the hard-money pinch of 1953 (to just over 1 percent) and long-term-bond yields have dropped more than half a percentage point (to just under 3 percent). Interest rates may rise enough to make up about half these declines over the next 18 months. Relatively, however, money will remain fairly plentiful and cheap.

Exports: United States sales of civilian goods abroad rose from \$12.3 billion in 1953 to \$12.5 billion in 1954. They may rise another \$2 billion over the next 2 years, with most of the growth coming in 1956. Economic and financial recovery abroad is not only increasing the demand for United States goods, but also enabling foreign countries to relax their trade restraints against them. Meanwhile, the United States will be swelling the outflow of dollars. United States imports will increase this year and next as American industry chews up more foreign raw materials. More important, the Eisenhower administration plans a substantial increase in aid to underdeveloped countries, particularly in Asia. Only a part of this aid will be direct Government grants; the rest will come from various forms of private investment with Government collaboration—e. g., export credits, World Bank loans, Federal tax incentives or guaranties to overseas investors, etc.

Thus, whereas in recent years the United States has been buying more abroad than it sold (apart from Government gifts), an export surplus of at least \$1 billion is likely by mid-1956. United States heavy-goods exports have recently had heavy going in world markets, but with Western European industry now working at capacity, United States exports of heavy goods should increase substantially. Farm exports began to pick up in 1954, and should rise further, since Congress has authorized the disposal of \$1 billion of United States agricultural surpluses abroad to be paid for in local currencies.

THIRTY-SIXTH ANNIVERSARY OF UKRAINIAN INDEPENDENCE

Mr. McNAMARA. Mr. President, the American demand for freedom has been not for ourselves alone but for all people. Americans know that those who threaten the freedom and independence of any people are a threat to our freedom, too. We know that those who fight for freedom anywhere are fighting for our freedom as well.

This is why it gives me real pleasure, on behalf of the people of Michigan, to join in the salute to the Ukrainian people in their fight for freedom and independence.

On this 36th anniversary of the Ukrainian Declaration of Independence we recall our own dedication to human liberty and greet those who, as do the Ukrainian people, stand beside us in the fight to win it for all people everywhere. The kinship that brings us together at this time will grow even stronger as we continue the fight until independence and dignity become secure for all.

SUGGESTED POSTPONEMENT OF SALARY INCREASES

Mr. DWORSHAK. Mr. President, the rising Red menace in the far Pacific now threatens us with the terrible possibili-

ties of armed conflict after a short period of uneasy peace and shaky prosperity. With the United States Seventh Fleet steaming into the troubled waters of Formosa, and with the situation so grave that the President has sent to Congress a special message on this new crisis, I feel that we must reassess our budgetary situation in the light of the rapidly shifting world events.

Inflation is rearing its ugly head with all its sinister influences and implications for our economic structure. This is a time for cautious planning; it is no time for heedless spending or unwarranted tax reductions.

All Americans are vitally concerned with these related problems. They are willing to forego additional tax reductions and make necessary sacrifices to prevent further depreciation of the dollar.

Under such circumstances, it seems to me that this is no time to set a dangerous inflationary pattern by unduly increasing salaries of civilian and military personnel. We are all Americans dedicated to preserving our way of life. This preservation, however, is contingent upon stopping the inflationary spiral which will result from adding billions of dollars to our Federal budget and to the deficit. If such spending is provided, there will be economic repercussions along the line, with devastating and extremely harmful effects upon our economic system, and our national defense.

Therefore, I appeal to the President and the executive department, to Federal employees' organizations, and to my colleagues of the 84th Congress, as well, to exemplify the highest patriotic motives by postponing temporarily action on extreme demands for increased salary and wage schedules, including congressional salaries. A hastily enacted pay increase measure will be ultimately regretted by all.

It is our sworn duty and responsibility to set an example for Americans everywhere. Higher living costs have been reversed downward. This administration and the Congress should challenge the Nation to hold the economic line, not break it, at this crucial point in our history.

EXECUTIVE SESSION

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. DANIEL in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Charles C. Finucane, of Spokane, Wash., to be Under Secretary of the Army, vice John Slezak, resigned, which was referred to the Committee on Armed Services.

The PRESIDING OFFICER. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

DIPLOMATIC SERVICE

The legislative clerk read the nomination of James Clement Dunn, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Henry A. Byroade, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Egypt.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John L. Tappin, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Kingdom of Libya.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James C. H. Bonbright, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The legislative clerk read the nomination of George V. Allen, of North Carolina, to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Loy W. Henderson, of Colorado, to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF THE TREASURY

The legislative clerk read the nomination of David W. Kendall, of Michigan, to be General Counsel for the Department of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF AGRICULTURE

The legislative clerk read the nomination of Ervin L. Peterson, of Oregon, to be an Assistant Secretary of Agriculture.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James A. McConnell, of New York, to be an Assistant Secretary of Agriculture.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COMMODITY CREDIT CORPORATION

The legislative clerk read the nomination of James A. McConnell, of New York, to be a member of the Board of Directors of the Commodity Credit Corporation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ervin L. Peterson, of Oregon, to be a member of the Board of Directors of the Commodity Credit Corporation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. NEUBERGER subsequently said: Mr. President, a few moments ago the Senate confirmed the appointment of Mr. Ervin L. Peterson, of Oregon, to be an Assistant Secretary of Agriculture. A number of complaints were received by me from farm people in the State of Oregon regarding Mr. Peterson's views on farm parity and farm-price supports. I happen to share their disagreement with Mr. Peterson's views in this respect, and I do not believe that he is on the right track in his attitude toward farm legislation. However, I did not consider the objections to be sufficiently strong to justify any attempt to deny to the President of the United States and the Secretary of Agriculture the right to fill this important post with a man of their choice.

I have voted for the confirmation of Mr. Ervin L. Peterson to be Assistant Secretary of Agriculture, and I wish him success in his new office. Mr. Peterson is a longtime resident of my State of Oregon.

FEDERAL MEDIATION AND CONCILIATION DIRECTOR

The legislative clerk read the nomination of Joseph F. Finnegan, of New York, to be Federal Mediation and Conciliation Director.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ROUTINE DIPLOMATIC AND FOREIGN SERVICE NOMINATIONS

The legislative clerk proceeded to read sundry nominations in the Routine Diplomatic and Foreign Service.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the nominations in the Routine Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Routine Diplomatic and Foreign Service are confirmed en bloc.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Walter B. Heisel, of Alaska, to be collector of customs for customs collection district No. 31, with headquarters at Juneau, Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY

Mr. GEORGE. Mr. President, the Committee on Foreign Relations voted on Friday, January 21, to report the Southeast Asia Collective Defense Treaty to the Senate. Because of the Formosan situation, which has been the subject of much discussion and consideration dur-

ing recent days, it has not been possible to have the report completed for submission at this time. I therefore ask unanimous consent for permission to file the committee report on this treaty at a time when the Senate may not be in session.

I am confident that we shall be able to file the report sometime during the day.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE SESSION

Mr. SMATHERS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMISSION TO STUDY THE PROBLEMS OF THE AGING AND AGED—INTRODUCTION OF BILL

Mr. POTTER. Mr. President, at the conclusion of my remarks, I should like to introduce a bill in which I am joined by more than 50 of my colleagues, calling for the establishment of a United States Commission on the Aging and Aged to explore the problems, economic and social, of this increasing number of our people.

The problems to which I shall refer are not only those with which we are presently faced, but the same problems greatly accentuated with the passing of time and the continued growth of our economy.

Since I first came to Congress, the problems of the handicapped and the disabled have interested me and have taken much of my time, and the most rewarding part of my legislative work has been the part of it which has dealt with rehabilitation.

Most of us are aware of the great waste of human resources which attends insufficient knowledge of this broad subject. Lately it has come to my attention that many studies have been carried on by numerous private and public agencies, many working independently, and others in a coordinated and united effort, to reach solutions which will be of benefit to our complex society.

Some great strides have been made as a result of this abundance of attention to the needs of the handicapped and incapacitated. Few communities in the United States have not been made aware of the need for organized responsibility in this field.

In the past year in the largest city of my State, Mr. President, certain tragic events have turned my thinking to another element of our society. That element is not composed of the chronically sick or the disabled. I have in mind the unfortunate citizens who were forced into idleness because their employers were unable to continue in business. In many instances, these individuals had spent the better part of their adult years with reasonable expectation of paid retirement, had their employers been able to continue. The plight of these individ-

uals is a sad one because they are of an age group whose productive energy is regarded as having been slackened.

There are, too, the folks who, because periodically they have sought improved opportunities, have passed up the security benefits accruing to the steadily employed. The search of these individuals for advancement and greater emolument finds them in middle life not included in the modern blueprint containing pensions. Their reemployment under current trends becomes less probable, and then only when pension arrangements are not involved. In not so ancient times this type of person was thought of as the trailblazer and the chance-taker whose courage was regarded as a virtue.

The natural inclination is for employers to hire younger men. This is true, not only because of the greater vigor of youth, but because present widespread arrangements involving insurance and pensions sometimes make it impracticable for the employer to give consideration to the older person. The latter condition could not have been avoided when these plans and formulas were established, nor can any manmade law in a free society assure the continuance in business of a private enterprise which is no longer solvent or capable of producing a return on investment.

At this point, Mr. President, I am referring only to the fiscal aspect of the situation. When dealing with problems of youth, where earning power is not at all involved, we think of many other things. Every community has its playgrounds, vocational training and education, and youth guidance centers, all thought of as preparatory. We raise and equip our children for careers as useful citizens. We overlook circumstances which may reduce one's years of useful adulthood or may result in an adulthood where a continuous place in the economy of the Nation is not properly judged as essential.

In our Nation we have, too, an ever-increasing group of citizens whose lives, because of improvement in medicine, have been prolonged. It is ironic that this improvement, which has brought about better physical health and longer lives, has created one of our most vexing problems. On every hand, we see the miracles of improved industrial and commercial methods. When these factors collide, they tend to cause new questions to arise.

It is not difficult to perceive the confusion which may result from a disorganized approach to the problem. Some of our best minds have been devoted to research on these subjects, and frequently I have heard the warning that the very large group of our troubled citizens whose anxieties are created thusly, will become prey to false prophets who may attempt to convert their fears into activities prejudicial to themselves and harmful to the Nation.

Proposals to care for the aged and to help the aging to find the means of providing for themselves must be given every encouragement. Otherwise, this movement will be taken advantage of by those whose prime concern may be the

advancement of single groups able to muster voice and pressure greater than the volume which will come from less articulate elements.

No part of our society, Mr. President, is not profoundly affected by this growing problem. To me, it is unthinkable that a Nation which boasts the best system of free enterprise in the world will stand aside while that very free enterprise is jeopardized by its inventiveness, because an important part of the system is neglected.

Steps are being taken to increase the number of our citizens entitled to old-age and survivors insurance. These are steps in the proper direction, but much more remains to be done.

In the matter of human resources, I am daily reminded of the enormous cost in knowledge and experience when our older people are shelved because they have attained an arbitrary point in life where certain actuarial agreements force total retirement from the scene. This produces a greater number of persons in the lower income bracket, and puts a drain on the national economy.

At my request, Dr. Wilma Donahue, of the University of Michigan, has gathered for me some impressive data which will be of widespread interest. Dr. Donahue is research psychologist and chairman of the division of gerontology, Institute for Human Adjustment, and lecturer in psychology at the university. She is the author of many papers on the subject, and she has collaborated in many studies which have been printed in book form. Dr. Donahue is recognized as one of the foremost authorities on this challenging economic and social problem. She has taken part in explorations into the issues involved in many States and in many nations.

Since 1900, Mr. President, the population of the United States has doubled; but the number of older people has quadrupled.

During the decade between 1940-50, the group over 65 increased by 37 percent, while the group under 65 increased by only 13 percent.

There are now more than 14 million persons 65 years of age and over in the population, or more than 8 percent; by 1970 this group will have increased to 21 million, and will include more than 12 percent of the population.

All demographic studies indicate that the growth in the older segment of the population will continue at an accelerated rate for another half century.

Every day, approximately 3,000 more people become 65 years old; but about 2,000 in the older age group die, thus making a net gain of approximately 1,000 a day, or nearly 400,000 per annum in the older age group.

In the past 13 years alone, the number of persons age 75 and over has increased almost 50 percent. Almost 4 million are now in this advanced age group. In fact, during the past decade the second fastest growing segment of the United States population has been that composed of persons 65 years of age and over.

Life expectancy at birth is steadily increasing. At the present time it is 68.4 years, a gain of 21 years since 1900.

Life expectancy of those in their later years is also increasing; at the present time the average expectancy for men at 65 is 12½ more years; and for women, 14½ more years.

The longer life span of women is creating a disproportionate number of them in the older age brackets. There are 10 women to every 9 men in the 65-and-over age group.

The median age at which wives enter widowhood is 57 years of age. In the United States, there are at present 7,500,000 widows of all ages, and at least half of these are 65 years old and over. At age 65, approximately half of the women are widows; by age 75, 72 percent of the older women have lost their husbands.

With the increasing number of older people, there is in our Nation a growing proportion of low-income families. Five million families are headed by persons 65 years of age and over. Of these, 43 percent have yearly cash incomes of less than \$1,500; 30 percent have incomes of under \$1,000; 15 percent have incomes of less than \$500.

The plight of the 2,500,000 older persons who live alone is even worse financially. Of these, 76.5 percent have incomes of less than \$1,000; nearly 40 percent have incomes of less than \$500.

Such incomes fail entirely to meet the needs of elderly people for living even at exceedingly modest levels. Official budget estimates in 1950 indicated that an elderly couple required from \$1,602 (New Orleans) to \$1,908 (Milwaukee) a year to maintain a modest, but adequate, level of living.

In spite of the improvements in social-security legislation during the last decade, and the extension of private pension plans, the financial circumstances of the older age group are still exceedingly unsatisfactory. Considerable pressure is being exerted upon employers to increase the number of employment opportunities for older people in order that they may supplement their incomes with earnings and also in order that they may have something useful to do. However, the introduction of industrial automation and the poor health of older people cast doubt upon employment as an effective solution, even if employers were to abandon present compulsory retirement and age discriminatory hiring practices.

In a recent survey, it was found that 42 percent of all men 65 and older were still in the labor force, but that of those who were not in the labor force only 6 percent felt well enough to want part-time or full-time jobs. The great majority of older men who were not in the labor force reported that they were not well enough to work. It was concluded that these findings represent the hard core of the economic problem of the aged and that—

The various devices which have been suggested for persuading employers to retain older workers do not * * * touch the heart of the problem. The problem is not one of a great reservoir of wasted resources but of men whose working lives are in a very real sense over.

The implications are clear. The physical and financial limitations of large

numbers of older people make it impossible for them to meet their needs without the assistance of national, State, and local government and voluntary groups. Special services and facilities are needed to increase financial resources, to provide more healthful living circumstances, and to create useful roles for the aging. Medical care, housing, income maintenance, employment, and effective use of leisure time are special areas needing consideration and action.

There is still great need for expansion of medical care facilities. Chronic illness is 5 times more prevalent at age 65 and over than at younger ages. It should be our goal to offer a constellation of services integrated to provide each individual the type of care he needs at a cost within his means to pay and embodying the best practices of medicine and rehabilitation. The acts of the last Congress providing funds and enabling legislation to help communities establish hospitals, clinics, nursing homes, and rehabilitation centers and services should go far in providing urgently needed facilities.

In addition to increased health facilities, Mr. President, there is need for an extension of health insurance for the older age group. Not more than 26 percent of persons 65 years and over, and only 15 percent aged 75 and above, have hospitalization insurance; even smaller percentages carry medical and surgical insurance. Most of the aged do not have health insurance because (a) they cannot afford to pay the premiums, (b) they are largely unemployed and most low cost insurance has been issued to employed groups, and (c) they are excluded from coverage by many companies or are entitled only to limited benefits.

In a 1950 survey, it was shown that 1 out of 7 couples receiving old-age and survivors insurance had 1 or more members hospitalized during the year; of these 65 percent incurred medical expenses of \$200 or more, an amount which depleted family savings in more than half the cases.

Inability to maintain health insurance causes many old people to neglect chronic illness; some obtain medical care only by sacrificing other essentials to healthful living; others resort to care whose cost is borne by younger and middle-aged groups, either as family members or taxpayers at large. It would be cheaper for communities to help provide health insurance than to pay for expensive medical care for old people prone to long-term illnesses.

Ancillary services needed to promote the health of older people include housekeeping, bedside nursing, hot meals, visiting and shopping, home-care medical programs for convalescents, clinics for adults who are well, activities and crafts centers, special employment programs for disabled and frail old people wishing to work, market outlets for crafted goods, and recreational programs.

Mr. President, housing is one of the most pressing needs of the older group. Of the 65-and-over group, 69 percent live in households maintained by themselves, 26 percent live in households of other persons, and 6 percent live in institutions, hotels, or large rooming houses.

Home ownership is high. Approximately two-thirds of all families whose heads are 65 and over own their homes. On an average, however, older people are overhoused and occupy low value structures which are dilapidated and substandard in heating, cooking, lighting, and plumbing facilities. For these poor accommodations, renters often pay a disproportionate amount of their incomes for rent. Twenty-six percent of older families who live in rental units pay 30 percent or more of their incomes for rent. Homeowners find that their property continually depreciates and that they are not able to keep it in repair because of physical and financial reasons.

Older people need low-rental housing especially designed to meet their special limitations and needs. Federally financed public housing has not been generally available to them because the law states that such housing may be used only for family occupancy. Administrators, knowing that one member of an older couple may die soon, have been unwilling to accept older families. State financed public housing in New York has set aside 5 percent of all new housing for individuals 65 years and over, without reference to their family status. Boston, Chicago, and Cleveland have special housing projects designed for older people. Efforts of these kinds are so limited, however, that they do not begin to meet the need.

Massachusetts recently established a loan fund of \$15,000,000, which is available to local housing authorities to build low-rental housing for the low-income group aged 65 and over. Already 23 communities have provided plans and have applied for these funds.

Extension of State programs and assistance at the Federal level are much needed. Private enterprise does not find it profitable to build for a group able to pay only a very low rental fee. Lending agencies will not extend credit to older people even when they can offer reasonable security. Furthermore, lending agencies are unwilling to loan money to nonprofit organizations on a long-term amortization basis. FHA financing has been limited to individuals less than 65 years of age, thus making it impossible for older people to build retirement homes for themselves.

Canada has enacted legislation to make it possible for local communities with 10 percent of the cost of a housing project on hand to receive an outright gift from the Government of one-third of the cost, and to borrow the remainder from the Government Central Mortgage and Housing Corporation.

In England and the Scandinavian countries government and local communities furnish the necessary financial assistance to provide housing for most of the low-income elderly group.

All communities and countries have found that when old people are housed in safe, decent, sanitary, comfortable, specially designed housing their health has improved and they are much happier. It has also been found that it is much cheaper to provide housing than to care for the old people in hospitals, sanitariums, or other institutions.

Although the improvements in social-security legislation enacted during the past session of Congress will include many more people in the program and will increase the benefits being received, most old people will still have only very limited incomes from this source. As of October 1954, the average OASI payment was \$58.87; the recent changes in the law will increase average monthly payments from \$5 to \$13.

Likewise, individuals dependent upon old-age assistance are forced to live at bare subsistence levels. The average monthly payment for OAA recipients as of October 1954 was only \$51.53 a month.

In old age, nonearned income, including pension benefits, savings, insurance, and so forth, usually becomes the only—and it is inadequate—source of support. For example, in a recent survey, it was shown that almost half, 47.2 percent, of males and 81 percent of females aged 65 and over having nonearned income earned nothing in addition. The median nonearned income for older men was only \$1,008, and for older women it was \$536.

Consideration should be given to the further extension of social-security coverage, to the maximum increase of benefits compatible with sound economic planning, and to an increase in the amount permitted to be earned while receiving benefits. Vigorous programs of saving including home ownership, insurance, pensions, investment, and so forth, should be advocated in order to increase the average amount of nonearned income in the later years.

It has already been noted, Mr. President, that employment cannot be expected to solve the financial problems of large numbers of older people. However, every effort should be made to enable and encourage those able and wanting to work to find jobs.

Federal subsidization to communities interested in establishing special employment projects for the elderly might be investigated. These projects can be worked out in cooperation with management and unions, and thus cause no conflict with existing policies. Examples are already available. In Boston a group of businessmen established Sunset Industries to employ retired men and women. In Holly Hill, Fla., a retired businessman established a factory to reproduce early American furniture, which employs only retired men. In Hempstead and Schenectady, N. Y., older people have formed groups to sell their own and each other's services to established firms. The number of these projects is far too small. Moreover, they are not likely to be duplicated to any extent until funds are made available on a grant-in-aid basis to communities wishing to develop these and similar projects.

Current practices in the hiring and retiring of older workers need considerable more study and evaluation. Likewise, the reasons which are usually given as a basis for current practices, including increased health-insurance costs, difficulties encountered in fitting an older worker into a retirement program, and so forth, should be thoroughly investigated.

It has been apparent from the figures and facts already presented that the United States has a rapidly growing population of the aging who are largely unemployable and who have unlimited amounts of leisure time. What lies ahead for these older people is one of the most important questions facing American society at the present time.

Current trends show that colonies of old people are beginning to form in the more benign climates of Florida, California, and the Southwest. For example, in 1 Florida community there are 3,000 retired families in an isolated area. This community of retirees provides no facilities for socialization or for service activities in the town; the only organized group is a garden club. In many retirement towns in Florida, almost one-fourth of the homes have for-sale signs on them. Students of this phenomenon indicate that it reflects boredom and dissatisfaction which come from having nothing to do. Aggregations of people who are dissatisfied and who at the same time are having to live in minimum circumstances constitute potential trouble spots in our society; and, sooner or later, organizations may form which operate only for the vested interests of the old-age group.

Until these facts are dealt with as an entity, putting all the bases together in an overall pattern, our efforts in human engineering will be less than skillful.

Mr. SMATHERS. Mr. President, will the Senator from Michigan yield for a question?

Mr. POTTER. I am delighted to yield.

Mr. SMATHERS. The able Senator from Michigan mentioned Florida, and referred to the many retired people who live in that State. I am very happy to be a cosponsor of the bill to make a study of the question, and I support in every way the remarks the Senator from Michigan is making.

It is true that many retired people live in Florida, and it is also true there is every indication that the number will increase. Obviously, people like to come to Florida to live when they qualify under the various retirement programs in their home States. We are grateful that these people can take advantage of such programs, and that many of them who reach retirement age move to Florida.

However, it is necessary to make a further study of the problem in an effort to find the solution. In my State 15 percent of the total population is 65 years of age and over. Furthermore, we have the problem of employment, because many of the retired people would like to supplement their retirement income through employment. It is very difficult for them to obtain employment in many cases, because industry, unfortunately, does not wish to employ any person who is over 65 years of age. That is a mistaken policy in many ways.

I believe the Senator from Michigan is making a most commendable approach to an important subject, and we in Florida appreciate the efforts he is making to solve this difficult problem. I am certainly very happy to be associated with him and with the bill which I understand he is about to introduce.

Mr. POTTER. I thank the distinguished Senator from Florida for his kind comments. It is probably true that problems connected with the aged are coming to the fore in Florida more than in any other State. I know that in my own State of Michigan many of our people, in later life, when they reach retirement age, seek the climate of Florida, and possibly also of California and the Southwest, because cold weather is not the most pleasant climate for aging people.

At the same time, many problems arise. The studies I have mentioned, as the distinguished Senator from Florida well knows, are directed toward the solution of those problems. Some communities in Florida are inhabited by elderly people of practically about the same age. That fact itself brings about certain abnormal situations. The purpose of establishing the commission is to study the various problems with which aged people are confronted, and with which the communities in which they live are also confronted. I believe what we advocate is a step in the right direction. I thank the distinguished Senator from Florida for being a cosponsor of the bill. I sincerely hope that we will be able to get early action on the proposed legislation.

The Government of the United States, Mr. President, must delay no longer in giving its sanction and support for the collection of all available evidence. Even the term aged needs a redefinition, so that we may better apply ourselves to the task. It is one of the most important problems we face as a Nation. It should command the use of every facility for advancement, to the end that we may help in providing the remedies concurrently with our other improvements.

Let us explore this social phenomenon and try to learn how it will manifest itself in the years to come. One of the principal riddles of the subject is how it will affect the economy of the Nation. The project I urge should be able to draw from our private industries and those concerned with their survival some of the clues which may very well avert cumulative destructive trends.

Interest has manifested itself in many places and will increase. I share the concern of those who have devoted long hours of study to the subject that the very diffusion of these efforts may fail to achieve full application unless that which is already known is more broadly applied.

Much can be accomplished if a central collection point or repository is established. Several agencies of the Government have already amassed much information and have given leadership to the many matters related to this subject. It may very well be that such an approach as that which I propose can correlate these efforts.

I am sure that there is an obligation on the part of our Government to address itself to all characteristics of this social and economic phenomenon. In whatever we discover to be needed, I am sure that it will be the objective of all of us to avoid paternalism so that the

dignity of the individual shall be maintained in any future pattern. We cannot, in good conscience, ignore these trends, nor can we pretend they do not exist. Our civilization was brought about by courageous men and women willing to recognize the duties of community living and eager to make it possible for all to have a chance for happiness to the end of their days.

Mr. President, from our institutions of higher learning, our industries, our trade and professional associations, our labor organizations, our learned societies and from any and all groups sharing the common burden of shaping the future of our country, we should recruit assistance. I propose that the Congress establish a commission to tackle this job.

Mr. President, on behalf of myself, the junior Senator from Colorado [Mr. ALLOTT], the senior Senator from Wyoming [Mr. BARRETT], the junior Senator from Maryland [Mr. BEALL], the senior Senator from Ohio [Mr. BRICKER], the junior Senator from Ohio [Mr. BENDER], the senior Senator from Connecticut [Mr. BUSH], the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Kansas [Mr. CARLSON], the junior Senator from New Hampshire [Mr. COTTON], the junior Senator from New Jersey [Mr. CASE], the junior Senator from South Dakota [Mr. CASE], the senior Senator from New Mexico [Mr. CHAVEZ], the junior Senator from Pennsylvania [Mr. DUFF], the senior Senator from Illinois [Mr. DOUGLAS], the junior Senator from Illinois [Mr. DIRKSEN], the senior Senator from North Carolina [Mr. ERVIN], the senior Senator from Mississippi [Mr. EASTLAND], the junior Senator from Vermont [Mr. FLANDERS], the junior Senator from Arizona [Mr. GOLDWATER], the senior Senator from Rhode Island [Mr. GREEN], the senior Senator from Nebraska [Mr. HRUSKA], the senior Senator from Iowa [Mr. HICKENLOOPER], the junior Senator from Minnesota [Mr. HUMPHREY], the senior Senator from New York [Mr. IVES], the junior Senator from Washington [Mr. JACKSON], the senior Senator from South Carolina [Mr. JOHNSTON], the junior Senator from California [Mr. KUCHEL], the junior Senator from Massachusetts [Mr. KENNEDY], the senior Senator from West Virginia [Mr. KILGORE], the senior Senator from North Dakota [Mr. LANGER], the junior Senator from New York [Mr. LEHMAN], the senior Senator from South Dakota [Mr. MUNDT], the senior Senator from Pennsylvania [Mr. MARTIN], the senior Senator from Nevada [Mr. MALONE], the junior Senator from Montana [Mr. MANSFIELD], the senior Senator from Washington [Mr. MAGNUSON], the senior Senator from Montana [Mr. MURRAY], the junior Senator from Oregon [Mr. NEUBERGER], the senior Senator from Maine [Mr. PAYNE], the junior Senator from Connecticut [Mr. PURTELL], the junior Senator from Rhode Island [Mr. PASTORE], the senior Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Maine [Mrs. SMITH], the senior Senator from Kansas [Mr. SCHOEPPEL], the junior Senator from

Florida [Mr. SMATHERS], the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from North Carolina [Mr. SCOTT], the senior Senator from Minnesota [Mr. THYE], the junior Senator from South Carolina [Mr. THURMOND], the junior Senator from Idaho [Mr. WELKER], the senior Senator from Wisconsin [Mr. WILEY], the senior Senator from Utah [Mr. WATKINS], and the junior Senator from North Dakota [Mr. YOUNG], I introduce for appropriate reference a bill proposing establishment of a United States Commission on the Aging and Aged. I ask unanimous consent that the text of this measure be printed in the RECORD following my remarks.

Mr. President, I wish to thank the many colleagues who have joined with me in the introduction of this bill. They have joined without reservation, with the exception of the Senator from Massachusetts [Mr. SALTONSTALL], who had a question regarding one provision of the bill concerning the powers of the Commission with reference to calling witnesses. I might state for the benefit of my colleagues that the bill is patterned after the bill which created the so-called Hoover Commission. I have no particular pride in any of the sections, but I assume that the committee which will have jurisdiction of the proposed legislation will give consideration to the request of the Senator from Massachusetts.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 693) for the establishment of the United States Commission on the Aging and Aged, introduced by Mr. POTTER (for himself and other Senators) was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. The Congress recognizes that an increasingly large proportion of our population consists of persons past middle age. It is the sense of the Congress that the implications of this fact require further study and investigation from the standpoint of the national economy and the general welfare. It is hereby declared to be the policy of the Congress, in recognition of this fact, to assist in defining the problems of the aging and aged segment of the population, and in finding solutions therefor, by providing for an immediate study leading to recommendations for integrated action particularly with respect to:

- (a) Employment and employability,
- (b) Income maintenance,
- (c) Health and physical care,
- (d) Housing, living arrangements, and family relationship, and
- (e) Effective use of leisure time.

ESTABLISHMENT OF THE UNITED STATES COMMISSION ON THE AGING AND AGED

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a commission to be known as the United States Commission on the Aging and Aged (in this act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert, on a part-time or full-time basis,

with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18, of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 10 members as follows:

- (1) Six appointed by the President of the United States, 3 from the executive branch of the Government and 3 from private life;
- (2) Two appointed by the President of the Senate from the Senate; and
- (3) Two appointed by the Speaker of the House of Representatives from the House of Representatives.

(b) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a chairman and a vice chairman from among its members.

QUORUM

SEC. 5. Six members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive \$50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed \$50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

DUTIES OF THE COMMISSION

SEC. 9. (a) Investigation: The Commission shall study, investigate, analyze, and assess existing knowledge and programs related to the problems of the aging and the aged in this country, in accordance with the policy set forth in section 1 of this act, with a view to determining what steps can be taken to provide a better integration of this

group in the social and economic life of the Nation. In carrying out its functions, the Commission shall solicit the cooperation and help of the various professional, business, and labor groups, as well as all other groups which are concerned with the problem, for the purpose of obtaining their views, experience, and assistance in providing direction for future planning and such legislative action as may be necessary. The Commission shall further make full use of the information, studies, and experience of the various agencies of the Government which have considered various aspects of the problem.

(b) Report: The Commission shall submit an interim report of its activities and the results of its studies to the Congress not later than December 31, 1955, and the Commission may submit such earlier interim reports as it deems advisable. The final report of the Commission may propose such legislative and administrative actions as in its judgment are necessary to carry out its recommendations. The Commission shall submit its final report not later than May 31, 1956. The Commission shall cease to exist 30 days after the submission of its final report.

POWERS OF THE COMMISSION

SEC. 10. (a) Hearings and sessions: The Commission or, on the authorization of the Commission, any subcommittee or member thereof may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpoenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192-194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

(c) Other data: The Commission shall cooperate with State and local bodies, and other public and private bodies, to obtain information, suggestions, estimates, and statistics for the purpose of this act.

THE FORMOSA SITUATION

Mr. MANSFIELD. Mr. President, it goes without saying that this body will cooperate unreservedly with the President in any matter vital to the security and welfare of the Nation. Perhaps that is what is involved in the joint resolution which has been introduced today by the Senator from Georgia [Mr. GEORGE] for himself and other Senators. If so, then the President can rest assured that he shall have the full support of the Senate.

I must say, however, that at this point I am concerned by the manner in which this matter has been presented to the

Senate. At the beginning of a new week, after a series of hurried conferences, leaks, and rumors, the Senate is confronted with a highly unusual resolution, with the implication that immediate action is essential.

If there is an impending crisis, why did not the President come in person to present the facts to the Congress? Why was the Senate not advised sooner? Crises in foreign relations are not like typhoons in the Formosan Straits. They do not arise overnight. They give full warning, or should give it, through the numerous channels of information available to the executive branch—provided, of course, that those channels are functioning properly.

The situation in the vicinity of Formosa is not one which lends itself to improvisation. We have slipped into a difficult position there. It will grow more difficult unless this Government acts with a high degree of responsibility.

This resolution comes to us on the heels of the proposed treaty of mutual defense with the Republic of China. Since early in January, the Foreign Relations Committee has had that treaty under consideration. As the Senate knows, both the treaty and the resolution cover substantially the same ground. Both deal with the defense of Formosa and the Pescadores in roughly comparable terms.

I do not understand, therefore, precisely why the President has seen fit to seek passage by Congress of the joint resolution which has been introduced today. If it were purely a matter of urgency, he could have asked the Senate to handle the treaty in that fashion. The fact is that members of the Foreign Relations Committee were advised by the executive branch to deal with the treaty in the normal order of business.

I stated at the outset my belief that the Senate would never deny cooperation to the President in any matter affecting the vital interests of the Nation. That belief applies in this case as in any other involving foreign relations.

As a coequal branch of the Government of the United States, however, Congress has a sworn obligation to examine this resolution, as it would any similar resolution, in an independent light. We cannot abdicate our constitutional responsibilities any more than the President can assign his to us.

Before we begin the examination, it seems to me to be of the utmost importance that we bear in mind the historical circumstances surrounding the Formosa situation. Sound policy must be based on these circumstances as seen from the perspective of the vital interests of this Nation.

Prior to World War II, Formosa was a part of the Japanese Empire. That status was generally accepted by the nations of the world, including the United States. Many Chinese, however, continued to regard the island as a part of China which, under duress, their country had been forced to cede to Japan towards the close of the 19th century. China's claim is based on the contention that Formosa had been under the nominal control of Peking for centuries, and on the fact that in the present day most

of the inhabitants are of Chinese origin.

It was from Formosa that the Japanese militarists launched some of the most devastating naval and air attacks against our forces in the Pacific during World War II. Our vital interest in Formosa then was obvious; it was to deny the island, insofar as it was in our power to do so, to any group or nation which would use it for aggressive purposes in the western Pacific. That vital interest explains the American signature to the Cairo Declaration of 1943. Under the terms of the agreement, the return of Formosa and the Pescadores to the Republic of China was pledged by the President of the United States, the Prime Minister of Great Britain and the Generalissimo of China. The Cairo Declaration was a pledge, not a treaty. It did not, under international law, transfer title of the islands to China. They remained technically under the sovereignty of Japan, at least until the end of World War II.

We did not have at the time of the Cairo Declaration any interest in the acquisition of Formosa for ourselves. As a matter of fact, once American sea and air power had made possible the occupation of the island by the Chinese Nationalist Government at the end of World War II, we immediately reduced our military commitment in that area. In the hands of the Republic of China, Formosa no longer constituted a threat of aggression to us from the Far East. Our vital interest was secured, pending a peace treaty with Japan.

I shall not review at this time the tragic events which completely unhinged the postwar situation in the Far East. It is sufficient to point out only that China was torn asunder by revolution and by the intrusion of aggressive communism from northern Asia. In the incredible chaos that accompanied those developments, the only alternative to throwing ourselves into the flames of war on the Asian mainland was to await a clarification of the situation.

The status of Formosa and our policies with respect to it did not change until international communism moved out of its Russian and Chinese orbit in Asia and fired the conflict in Korea. Largely as a result of our initiative, the United States was immediately designated by the United Nations to command a collective military action to turn back the Communist aggression.

As a corollary of that United Nations action and the responsibilities which we assumed in connection with it, our commitment in Formosa deepened. The President, the Secretary of State, and the President's military commanders found it necessary to neutralize the situation in the vicinity of Formosa if the conflict in Korea was not to flare into a general war in the Far East. Our interest in Formosa, however, remained the same. We had no interest in acquiring Formosa for ourselves but only in preventing it from falling into the hands of the Communist aggressors. We supplied the Chinese Nationalist Government on Formosa with military and economic aid, while the 7th Fleet was ordered to patrol the straits. They prevented an attack on the island, and

brought to an end the sporadic and futile air raids against the Chinese coastal cities.

We had to proceed in these circumstances to negotiate a peace treaty with Japan. By the terms of that treaty, Japan renounced all claims to Formosa. We and the other nations involved insisted on that renunciation as a safeguard against renewal of aggression from that source. The treaty, however, left indeterminate the legal status of the island, pending a clarification of the situation in the Far East. In actuality, Formosa remained under the control of the Nationalist Government of China.

The decision to neutralize the Formosan Straits in 1950 involved great risks. President Truman accepted those risks courageously as a part of the responsibility of his office. As events subsequently showed, he had made the proper decision. Not a single American was lost in combat in the Formosan area. Yet, the island was kept out of the hands of the Communists. The position of the Nationalist Government of China grew stronger, not weaker, as a result of it. The interests of this country, the United Nations, and world peace were served by the decision. When the Chinese people are free to understand the facts, I believe they will also realize that it served their long-range interests as well.

There may yet be a way to avoid the drift toward the abyss in the Far East. We will not avoid it, however, unless the futility and the danger to this country of loud words and little actions is now fully understood. We will not avoid it unless we keep before us the nature of our real national interests in the Formosan region.

Armed Forces of the United States are in that region for one purpose. They are there, or should be there, only to prevent Formosa and the Pescadores from falling into the hands of forces of Communist aggression which might ultimately be aimed at this country. It is essential that that purpose be understood and adhered to by every combatant, from private to general, and from seaman to admiral, who is involved in any way in the operation. Within that general scope of policy, it may be necessary to make dangerous operational decisions; but only the executive branch has the innumerable facts on which to base those decisions. Hundreds of its employees are engaged in no other function than in collecting and analyzing such facts. The Senate does not have the facts. The House of Representatives does not have them. The American people certainly do not have them. The responsibility for the day-to-day decisions rests with the President and his branch of the Government. Resolutions to the contrary, he cannot share it.

Our national policies with respect to Korea have an international corollary, and it is time to take it into consideration. The depth of our involvement in Formosa has developed in part out of the international action in Korea. It is time to make clear to the Chinese Communists and to other nations with interests in Asia that the Korean and the Formosan problems are inextricably tied together.

If there is to be hope for a stable peace in the Far East, it is essential that there must first be a termination of the incipient threat of large-scale hostilities between the Chinese forces on Formosa and those on the mainland. What is needed in the Formosan vicinity is what has already been achieved in Korea—a cease-fire arranged under the United Nations—and one which I am happy to report was included in the President's message today.

It seems to me urgent, therefore, that the President consider taking the Formosan question immediately to the Security Council. If that body cannot act because some nation may choose to block peace by the exercise of the veto, then the issue perhaps may be carried to the General Assembly. It is not unreasonable to expect that the nations which supported the action against aggression in Korea will recognize the relationship between the Korean and Formosan situations. Nor is it unreasonable to expect that any nation which sincerely desires peace will be unwilling to share the responsibility for maintaining it in the Far East.

If a firm cease-fire can be achieved in the vicinity of Formosa, it might serve as the prelude to a general political solution of the many problems which for a decade have plagued the peoples of Asia and this country with conflict, and the threat of still greater conflict. From our point of view, such a settlement must be based on the following principles, which are, for the most part, traditional and well-tried principles, and can provide the basis for firm and effective action for peace:

First. We make no territorial claims to Formosa, the Pescadores or any adjacent islands currently in dispute.

Second. We affirm the terms of the Japanese Peace Treaty, under which Japan has relinquished all claims to Formosa.

Third. We have one overriding interest with respect to any settlement affecting Formosa: that the island does not become a springboard for aggression in the Western Pacific.

Fourth. The final legal status of Formosa and the Pescadores should be in accord with the freely expressed desires of the inhabitants of the islands.

Mr. President, if I may return to the joint resolution for a moment before concluding my remarks, I wish to say only that I do not believe the Senate should act in haste in this matter. The full implications of the resolution, to say the least, are not clear. Certainly, it ought not to be considered except in conjunction with the pending treaty between this country and the Republic of China.

I am sure that it is not the intent of the President, by his message, to ask Congress to give him in advance our constitutional power to declare war. Yet, such an inference might easily be drawn from it. By the same token, I can hardly believe that he is asking Congress to assume the powers of his office to conduct the foreign relations of this country and to command the Armed Forces.

The Constitution wisely provides for the separate responsibilities of the various branches. Each has the facilities and composition which make possible the discharge of those responsibilities.

As Executive, the President, and the President alone, is equipped to make the operating decisions relative to our foreign relations and our Armed Forces. Conversely, the President cannot declare war. War cannot be declared without inviting the destruction of the Nation until it is evident through Congress that the will of the people of this country is fully mobilized.

I know that the Foreign Relations Committee, under the chairmanship of the distinguished President pro tempore [Mr. GEORGE], will explore fully the constitutional questions, along with other implications in the joint resolution, before the Senate is asked to deal with it. I am also glad to note that the distinguished chairman of the Armed Services Committee [Mr. RUSSELL] will likewise join in and give us the benefit of his wisdom.

Mr. President, I am looking forward to the meeting of the two committees this afternoon, and I hope that the words which I have spoken today will be given some consideration, because it is my firm belief that we are taking a step which is fraught with grave consequences, that we should know where we are going, and that we should take our time in discussing the joint resolution, and be absolutely sure of the facts before we finally act.

Mr. FULBRIGHT. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I was very pleased to hear the Senator from Montana say that he saw no need for immediate action. Is it not the Senator's understanding that the President, under his constitutional powers, already has the power to meet any emergency or to resist any sudden attack which might constitute an emergency?

Mr. MANSFIELD. That is my understanding. I will say to the distinguished Senator from Arkansas, and I think most, if not all, constitutional authorities would so hold.

Mr. FULBRIGHT. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I am happy to yield.

Mr. FULBRIGHT. I am not trying to leave the implication that the joint resolution may not be justified. That is for the Senate to determine, after consideration, and I think the President is motivated by a desire to have consultation and to preserve the usual comity. However, the point I make is that there is no need for immediate action. Under the circumstances, it seems to me, there is plenty of reason for the Senate to take its time and for giving the country time to understand the significance of the problem, before we vote on the question.

Mr. MANSFIELD. The Senator is correct. All the implications should be considered. I do not think the joint resolution should be rushed to passage today, and I am delighted that there

will be consideration of the measure by the two committees acting jointly. However, there can be read into the message many things that are not so limited as they seem to be. I have no doubt that the President's intent is honorable, and that he is determined to achieve a reasonable, sound, and honorable peace; but I think we owe it to ourselves, as representatives of the people, to go into the joint resolution and the message as thoroughly as possible, before we take action.

If I may continue for a moment, I think it is in the national interest to defend and protect Formosa and the Pescadores, and the present Nationalist Government thereof. No nation has title to the Pescadores and Formosa at the present time, because there has been no conveyance of title to that land since the end of the Second World War, at which time the Japanese renounced their claim to that particular territory. So we have as much right now to declare what the future of these islands shall be as do our allies. In our hands collectively lies the final authority to determine what shall be the final disposition of the Pescadores and Formosa; and I think those two areas are interdependent.

Mr. FULBRIGHT. I thank the Senator from Montana for his fine remarks, and I think they clarify the situation.

Mr. MANSFIELD. I thank the Senator from Arkansas.

Mr. JOHNSTON of South Carolina. Mr. President, I understand that the reason the Senator from Montana says there is no need for immediate action is that the President already has a right to act if he deems it necessary to do so. Is that correct?

Mr. MANSFIELD. The President does have such authority under the Constitution, as Commander in Chief of the Armed Forces of the Nation. Furthermore, we have had before us, as the President points out in his message of today, a treaty of mutual security between the United States and the Republic of China. We have been informed there is no hurry to have the treaty ratified. So, Mr. President, if there is no hurry to have action taken on the treaty, why is there such a hurry to have action taken on the joint resolution, which in effect covers somewhat the same areas?

However, it occurs to me that those who read the message will have raised in their minds some questions as to exactly what is meant; and I believe we should explore this matter fully, and should know what we are doing.

Mr. JOHNSTON of South Carolina. Mr. President, I am satisfied that the Senator from Montana agrees with me that it is nice of the President to keep us informed concerning these matters and, if possible, to let us know about similar matters in the future. Certainly we should know all the facts, when we pass upon a question of this kind.

Mr. MANSFIELD. Yes. In my opinion, the President is to be congratulated and thanked for taking us into his trust in the case of this particular matter, and I say that very seriously. On the other hand, I believe we must also keep in mind that there is a separation of authority as between the execu-

tive and the legislative branches of our Government, and that under the Constitution there are certain elements of responsibility which are his, first of all, because he is President; and, second, because, as President, he is Commander in Chief of the Armed Forces of the United States.

Mr. CAPEHART. Mr. President, I think the action of the President of the United States, in sending to the Congress the message to which reference has been made—and I hold the message in my hand, and I also have before me a copy of the joint resolution regarding the Formosa matter, which is to be considered by the Congress—is the most encouraging thing which has happened in my approximately 11 years in the United States Senate. I compliment and congratulate the President of the United States. He is doing exactly what many of us have been urging for many, many years that a President do, namely, share the responsibility for wars with the Congress, which, under the Constitution, has the right to declare war. I think it is a splendid thing. I congratulate the President, and I hope this action on his part will establish a pattern which all future Presidents will follow.

The President has reached the conclusion that the situation in the Formosan area is serious. Having reached that conclusion, he has now requested the Congress for its advice and consent, if you please, under the authority reposed in Congress by the Constitution.

However, I think the Congress should take sufficient time—and I do not mean that any delaying tactics should be engaged in—to check into the entire matter. That should be done by both the Senate Foreign Relations Committee, the House Foreign Affairs Committee, and both branches of the Congress. Certainly it is important that they take a reasonable length of time to do so.

I believe we are entitled to have before us the facts upon which the President based his decision to send the message to Congress. I do not believe we should be hurried into taking action on this matter. I hasten to state that I do not mean there should be a delay of a week, 10 days, or 2 weeks. Instead, I am thinking in terms of a few days. It seems to me it is important that we be given a few days to acquaint ourselves with the situation and to see whether we can absorb as many of the facts regarding the circumstances and conditions as the President did in arriving at the decision to send the message to the Congress, because he based his decision upon certain facts and circumstances, and we should be given sufficient time to do the same thing.

We ought not to delay. We ought to make this subject the first order of business, but we ought to obtain the facts. I am certain that the President of the United States and the Secretary of State are most desirous that we obtain all the facts. I am sure that they will give to the Congress all the facts and all the information they have. I am confident that they are just as eager as we are that sufficient time be taken to reach a wise decision on this question.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. CLEMENTS. The Senator from Indiana has expressed the hope that this subject will be gone into thoroughly by the joint action of the two committees, the Committee on Foreign Relations and the Committee on Armed Services. I express to him the belief that, inasmuch as he is a member of the Committee on Foreign Relations, which, with the Committee on Armed Services, will consider this subject jointly this afternoon, and at such other times as may be necessary in order to obtain all the facts, he will insist upon all the facts being obtained, so that when we come to take action on the resolution, or any comparable proposal which may be before the Congress, we will be in possession of the necessary information.

I am glad to hear the Senator make the observation which he has made. I have confidence that he, as one of the members of the Committee on Foreign Relations, will endeavor to obtain the necessary information for other Members of the Senate.

Mr. CAPEHART. I feel that our case would be much stronger, and there would be a greater degree of unity and cooperation as between the Congress and the American people if we were to take a reasonable length of time to obtain the facts. Then we should be acting upon the basis of facts, rather than merely because the President of the United States sent a message to Congress upon which we acted within an hour or two. If we take the time to obtain the facts, then we can say, "Mr. President, this is what we want you to do." The world and the American people ought to be 100-percent satisfied that we are doing the right thing, and the thing which is necessary. If we take the time to obtain the facts, our action will then be based upon facts, and not merely upon 2 or 3 hours of hearings before the 2 committees acting jointly, followed by brief debate in the Senate. If we obtain the facts, we can say to the world, "The President considered this subject carefully. The Secretary of State considered it carefully, and the Congress of the United States did not act within 2 or 3 hours, but considered the subject for several days and obtained all the facts. Upon the basis of the facts the Congress came to the same conclusion as did the President and the Secretary of State."

Mr. CLEMENTS. My observation is made only for the purpose of commending my friend from Indiana and expressing confidence that he will obtain the facts.

Mr. CAPEHART. I am sure that the President of the United States is just as eager to furnish the facts as we are to obtain them. I congratulate the President of the United States for sharing the responsibility with the Congress. If the Congress takes a reasonably sufficient time to study and assimilate the facts, we shall then have inaugurated a new era in United States foreign policy.

I rose to congratulate the President for the way in which he has handled this subject. I hope the Congress will consider it with due deliberation, with a

view to obtaining all the facts. I do not advocate any delaying tactics. I ask only for a reasonable length of time in which to obtain and consider the facts. Then when we reach a decision, our decision will be worth something, because it will be based upon facts and not hysteria. We shall not be doing something on the spur of the moment.

OPPOSITION TO CLOSING OF UNITED STATES POST OFFICES

Mr. JOHNSTON of South Carolina. Mr. President, on January 6, the second day of Congress, I submitted Senate Concurrent Resolution 1, which sets forth that it is the sense of the Congress that the Postmaster General should not discontinue any United States post office until the expiration of 60 days after he shall have reported to the Committees on Post Office and Civil Service of the Senate and House of Representatives on the necessity and advisability of such action.

I, like many other Senators and Representatives, have been deluged with complaints about the Post Office Department's action in closing many small post offices throughout the country.

On January 14 I sent to the Postmaster General a telegram strongly urging that he postpone action to close a fourth-class post office at White Rock, S. C. This is only one of many complaints I have registered with the Postmaster General about this action. More than 200 citizens in the area of White Rock, S. C., sent to the Postmaster General a petition requesting that this office not be closed. Mr. President, up to now I have been unsuccessful in receiving any consideration from the Post Office Department concerning these complaints.

A few moments ago, in glancing at the news ticker, I read the following statement:

WASHINGTON.—The Post Office Department changed its mind today and decided to keep the Peoli, Ohio, post office open as a favor to Denton "Cy" Young, one of baseball's all-time pitching greats.

Originally the Department was going to shut down the tiny post office as a money-losing proposition and establish a star route. About 11 families and Young get their mail there.

Young is the 87-year-old ex-Cleveland, Boston, and St. Louis pitcher whose record of 511 major league victories in 23 years still stands. He was understood through friends to be complaining about the closing.

So W. R. Fudge, the Post Office's regional operations manager in Cincinnati, wrote to Representative Bow, Republican, of Ohio, Young's Congressman: "In view of your interest and in view of the large amount of mail that Mr. Cy Young receives through the post office, no further action will be taken at this time."

Commented Bow: "This is the kind of thing that makes America great."

Peoli, with a population of 30, is in Tuscarawas County, in the middle belt of Ohio on the eastern side.

Mr. President, I certainly have no argument over the fact that "Cy" Young was a great baseball player. I have no argument over the fact that the Post Office Department has decided not to close this office, but to keep it as a monument to the great "Cy" Young. But, Mr. President, the Postmaster General has

said heretofore that he had to close these offices in order to save money, because most of them were losing money. I hope this announcement means a change of mind by the Post Office Department, and that hereafter the Postmaster General will give serious consideration to my requests that he not close offices in my State.

We have many great people in South Carolina, but I am not here requesting that the Government establish monuments to greatness in my State. Rather, my request is that serious consideration be given to maintaining the present offices because of necessity.

To name only a few, I have reference to Wateree, White Rock, Ballantine, and Lykesland, S. C.; and in my State there are many others in connection with which the Postmaster General is already aware of my interest and the interest of the people of South Carolina.

AUTHORIZATION FOR COMMITTEE ON FOREIGN RELATIONS AND COMMITTEE ON ARMED SERVICES TO SUBMIT REPORT

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the two committees which were authorized to meet jointly this afternoon during the session of the Senate, namely, the Committee on Foreign Relations and the Committee on Armed Services, be authorized to file a joint report at any time the Senate is in recess or in adjournment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ADJOURNMENT TO WEDNESDAY

Mr. CLEMENTS. I move that the Senate stand in adjournment until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 2 o'clock and 25 minutes p. m.) the Senate adjourned until Wednesday, January 26, 1955, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate January 24, 1955:

DEPARTMENT OF THE ARMY

Charles C. Finucane, of the State of Washington, to be Under Secretary of the Army, vice John Slezak, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate, January 24, 1955:

DIPLOMATIC SERVICE

James Clement Dunn, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

Henry A. Byroade, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Egypt.

John L. Tappin, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Kingdom of Libya.

James C. H. Bonbright, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

DEPARTMENT OF STATE

George V. Allen, of North Carolina, to be an Assistant Secretary of State.

Loy W. Henderson, of Colorado, to be an Assistant Secretary of State.

DEPARTMENT OF THE TREASURY

David W. Kendall, of Michigan, to be General Counsel for the Department of the Treasury.

DEPARTMENT OF AGRICULTURE

Ervin L. Peterson, of Oregon, to be an Assistant Secretary of Agriculture.

James A. McConnell, of New York, to be an Assistant Secretary of Agriculture.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment to the titles indicated:

To be Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America

Belton O'Neal Bryan, of South Carolina.

J. Robert Fluker, of Kansas.

Harold G. Kissick, of Maryland.

Leonard H. Price, of Virginia.

Louis F. Thompson, of Indiana.

To be Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America

James S. Beddie, of Maryland.

William L. Hamilton, Jr., of Maryland.

Charles N. Manning, of Virginia.

Norman M. Pearson, of Maryland.

Charles F. Pick, Jr., of Virginia.

George M. Pollard, of Virginia.

Joseph Rosa, of Wisconsin.

Ancel N. Taylor, of Idaho.

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America

William E. Beauchamp, Jr., of California.

Robert L. Brown, of New Jersey.

Darwin J. DeGolia, of Maryland.

Paul W. Deibel, of Ohio.

Miss Selma G. Freedman, of the District of Columbia.

John K. Havemeyer, of Illinois.

T. Greig Henderson, of the District of Columbia.

John J. Janke, of Ohio.

Miss Elizabeth Jorick, of the District of Columbia.

Northrop H. Kirk, of California.

Duncan A. D. Mackay, of New Jersey.

John B. Penfold, of Missouri.

Richard B. Peters, of Oklahoma.

Hilding A. Peterson, of Minnesota.

James A. Ramsey, of Massachusetts.

Robert L. Redding, of Florida.

Miss Genevieve F. Rifley, of Nebraska.

Melvin E. Sinn, of Virginia.

Horace L. Talley, of Virginia.

Niemann A. Terry, Jr., of South Carolina.

John C. Thornburg, of Maryland.

Christopher Van Hollen, of the District of Columbia.

Miss A. Dorothea Wool, of Maryland.

To be Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America

Miss Alma M. Armstrong, of Maine.

Howard J. Ashford, Jr., of Colorado.

James H. Ashida, of Washington.

Herbert Corkran, Jr., of Virginia.

Miss Mary G. Crain, of Maryland.

Miss Lois M. Day, of Ohio.

Miss Hazel C. Dougherty, of Pennsylvania.

Miss Eleanor Ebert, of Pennsylvania.

Arne T. Fliflet, of South Carolina.

Miss Helen F. Foose, of California.

Miss Anna G. Foster, of Texas.

Joseph R. Jacyno, of Massachusetts.

Lawrence J. Kennon, of California.

Mrs. Elvira P. Martin, of Connecticut.

Miss Annee W. Meriam, of Massachusetts.

George C. Mitchell, of Nebraska.

Miss Charlotte M. Morehouse, of Virginia.

Peter J. Raineri, of New York.

Clyde F. Roberts, Jr., of Massachusetts.

Miss Harriet C. Thurgood, of Florida.

To be Foreign Service officers of class 6, vice consuls of career and secretaries in the diplomatic service of the United States of America

Richard W. Boehm, of New York.

Richard J. Brynildsen, of California.

Miss Pamela F. Craig, of Pennsylvania.

Daniel H. Daniels, of Virginia.

John R. Davis, Jr., of California.

Donald B. Easum, of Wisconsin.

Louis P. Goetz III, of Pennsylvania.

Lewis D. Junior, of Missouri.

Richard G. Long, of Illinois.

Charles N. Rassias, of Massachusetts.

William F. Ryan, of New York.

Miss Frances A. Usenik, of Minnesota.

COMMODITY CREDIT CORPORATION

James A. McConnell, of New York, to be a member of the Board of Directors of the Commodity Credit Corporation.

Ervin L. Peterson, of Oregon, to be a member of the board of directors of the Commodity Credit Corporation.

FEDERAL MEDIATION AND CONCILIATION DIRECTOR

Joseph F. Finnegan, of New York, to be Federal Mediation and Conciliation Director.

COLLECTORS OF CUSTOMS

Walter B. Heisel, of Alaska, to be collector of customs for customs collection district No. 31, with headquarters at Juneau, Alaska.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 24, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we thank Thee for this new day, affording and challenging us with many opportunities to serve our generation and minister to the needs of humanity.

Grant that we may not be recreant to any duty or afraid to raise our voices and take our stand on the side of those programs of legislation which are just and righteous.

Show us how we may have a large and vital part in helping our beloved country to be true to its highest potential and its God-ordained destiny.

We beseech Thee that in our hopes and longings to build the way of amity and comity among all mankind, we may see how imperative it is to remove the roadblocks of pride and prejudice of selfishness and personal aggrandizement.

Inspire us with a greater loyalty to the principle of reverence for the sanctity and worth of human personality and human dignity.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of Thursday, January 20, 1955, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.